

A Fund Raising Planning Study

Prepared by

Ketchum Canada Inc.

January, 1996

**IDRC
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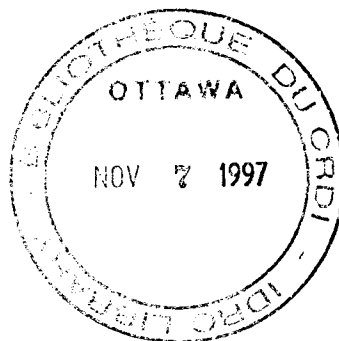
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**Prepared for
International Development Research Centre**

January, 1996



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Executive Summary

Executive Summary

Introduction

From July to November 1995, Ketchum Canada Inc. undertook a Fund Raising Planning Study on behalf of the International Development Research Centre ("IDRC" or "the Centre") with the following objectives:

1. To test the feasibility of a \$US100 million revenue diversification programme comprising philanthropic funding as well as a variety of sponsorships and business partnerships;
2. To obtain and analyse data which would contribute to the development of a strategy for a major revenue generating programme targeted at philanthropic and corporate partnerships;
3. To begin a dialogue with corporations, charitable foundations and individuals important to the success of the Centre's revenue generating programme.

The Study was based on a series of one-on-one confidential interviews with a highly-targeted nucleus of individuals from various constituencies whose support would be valuable in the proposed funding programme. Forty-one interviews were conducted from August to November 1995. Approximately one-half of the interviews were conducted in Canada and the remainder of the sample was drawn from seven different countries. All of the interviews except 11 were conducted in person.

The recommendations in this report are based on Counsel's understanding of the current operations and fund raising history of IDRC, the results of the Study interviews, and the general experience of Counsel in assignments for similar organizations in recent years.

Key Positive Findings

The following positive findings are indicative of the revenue diversification potential of IDRC:

- The majority of interviewees *who were familiar with IDRC* rated their personal image of the organization as "good" or "very good." Internationally, the strongest affinity to IDRC was among respondents in Canada. IDRC was perceived by many Canadian interviewees as doing excellent work in its mandated areas of development research in science and

technology. A handful of respondents spoke highly of the *Friends of IDRC* newsletter, describing it as an effective source of information about the organization;

- Almost all of the corporate and foundation respondents familiar with IDRC maintained that the Centre is well-regarded in the international development community. Many of these interviewees believe that IDRC's access to an international network of experts will be an important resource in attracting business partners;
- Eighty percent of interviewees "endorsed" or "accepted" the Centre's case for support as outlined in its preliminary Statement of Need. In general, the move to seek new sources of revenue was well regarded, particularly when considered in tandem with initiatives to "downsize" the organization. Many commended the Centre on its move to change the "culture" of the organization to foster a more entrepreneurial mind-set;
- Approximately half of the interviewees intuitively felt that the proposed \$US100 million financial objective is attainable with the right projects and partnerships over a protracted period of time;
- Numerous corporate respondents said they would be interested in discussing specific projects with a demonstrable return on investment. The most popular forms of business alliance cited by interviewees were contract research, joint ventures and project sponsorship;
- Corporate respondents who require sophisticated legal and political operational frameworks saw the development of indigenous expertise as leading to the long-term creation of a viable marketplace within many emerging nations;
- The response from the institutional "family" to the question of volunteer leadership for the proposed programme was exceptional; almost all of the internal interviewees said they would consider a leadership position. Externally, the Study identified several potential leadership and volunteer prospects, however, their willingness to participate in the proposed programme is conjectural at this time.

Key Challenges

It is clear that the proposed revenue diversification initiatives will provide an invaluable opportunity for the Centre to develop a stronger public profile, recruit a cadre of volunteer leadership and obtain new sources of funding. However, notwithstanding the positive findings outlined in the preceding paragraphs, it is apparent that IDRC will need to address the following challenges in the earliest stages of the proposed initiative:

- Nearly half of the corporate respondents were unaware of IDRC prior to the Study and 90% of all respondents believed that others in the corporate community are unaware of the Centre. Moreover, comments from corporate respondents indicated that the vacuum created by this lack of awareness has been filled with numerous stereotypes about academia and government. Thus, IDRC was often described as too “inefficient” and “process-oriented”, and “not results-driven”. Some said the Centre is too concerned with “doing good” and not concerned enough with the “bottom line” and achieving empirical results;
- Although the majority of respondents passively “accepted” the preliminary Statement of Need, a significant number questioned why these needs were chosen over others. Moreover, many felt that IDRC maintains an interest in too many areas and that the organization appears unfocussed;
- Respondents were generally impressed by IDRC’s commitment to work toward a leaner organization as a way of coping with diminishing resources. However, many sought more detail with regard to this issue. Some questioned if IDRC had used the opportunity presented by diminishing resources to review its mandate;
- Although a slim majority of respondents intuitively believed the goal may be attainable, an important nucleus of experienced fund raisers expressed concern that the Centre “is moving from a standing start” and they felt that the programme would require years of effort and perseverance to achieve success. Many observed that IDRC has a low profile among potentially high-level donors, relatively limited experience with revenue generating initiatives, and tenuous connections to the business community;
- Very few corporate respondents said they would consider authorizing or encouraging an investment in IDRC at this time. Many said their companies know too little about the Centre and they will require more information about IDRC projects or partnerships before considering any significant level of support. On the other hand, it is encouraging that many appeared open to further contact with IDRC in this regard;
- Among those who expressed any interest in supporting IDRC, virtually everyone indicated that they would consider becoming involved in a specific project rather than making an unrestricted contribution toward the core funding of the organization through an endowment or otherwise. In gravitating toward specific projects, most of these respondents were clearly seeking measurable benefits for themselves and for any IDRC programmes in which they may invest;
- Similar challenges exist for IDRC internationally as well as domestically but they are

compounded by the lack of national affinity. Businesses and foundations outside Canada, particularly those in the developed world, questioned why they should invest in IDRC when they could support similar organizations with similar mandates based in their own country;

- While the Study identified a small nucleus of potential influential volunteers to assist this programme, IDRC will have to work hard to attract the necessary number of high-level individuals to achieve significant success.

Observations/Recommendations

The mixed messages reflected in the foregoing “Key Positive Findings” and “Key Challenges” underline the difficulty in definitively gauging the fund raising potential of IDRC at this time. Although this Study began the process of educating potential supporters and it generated a few expressions of general interest, it did not identify any solid intentions of specific financial support. The failure to identify specific support occurred for the following reasons:

- Many of the interviewees were unfamiliar with IDRC before they read the Statement of Need and it is clear that they will require significant cultivation before considering specific financial support to the organization;
- Although some interviewees expressed interest in learning more about IDRC projects and joint ventures (as opposed to funding a general endowment), they were understandably unwilling to discuss any level of financial support without receiving detailed information on potential partnership projects;

Notwithstanding the failure to identify definitive support, it is the opinion of Counsel that the Study uncovered sufficient interest to suggest that IDRC ought to consider pursuing a phased development programme to further define and realize its funding potential. The key elements of such a development programme would include the following:

Phase I (January 1996 to December 1996)

1. Strengthen the ability of IDRC’s internal infrastructure to understand and effectively compete in the philanthropic and commercial marketplace. Senior management, frontline staff, regional directors and regional coordinators should be given access to comprehensive training opportunities to ensure that they can develop the networks and skills necessary to identify and exploit the most promising philanthropic opportunities available to the Centre.

2. Undertake a highly targeted public relations campaign aimed specifically at the Canadian business community with the intention of creating awareness about IDRC, and delivering messages relating to opportunities for philanthropic support and potential business partnerships. This programme should include an expansion of the *Friends of IDRC* initiative to raise the profile of the Centre among senior stakeholders, opinion leaders, and other potential supporters.
3. Conduct an intensive, highly targeted cultivation programme focussing specifically on senior volunteer leadership and more generally on potential business partners. This cultivation programme should include highly customized information meetings between senior IDRC officials, senior volunteers opening doors on behalf of IDRC, and senior executives of target corporations and other stakeholders and potential supporters.
4. In conjunction with 2 and 3, conduct a comprehensive research programme aimed at matching the interests of potential external supporters with the project needs of IDRC. A list of potential prospects which emerged during the interview process will be provided to IDRC under separate cover.
5. Finalize a Case for Support, which addresses the findings of this Study and gains the enthusiastic approval of the IDRC “family”. The Case should focus on a strong core of key projects or programmes of specific interest and value to potential supporters. For some prospects, the Case should resemble a business prospectus highlighting the self interest of the target “investor”. For others, the Case should resemble a more traditional charitable funding proposal emphasizing the benefits to the broader community.
6. Recruit a Steering Committee of influential individuals from the highest levels of IDRC and the corporate world to serve the following functions: act as advisors to the President and the Board of Governors regarding the strategy and implementation of the revenue diversification initiatives; act as champions for IDRC within the corporate world; identify, contact and liaise with specific companies with which IDRC might develop partnerships.
7. During the first year of the programme, identify a nucleus (perhaps a dozen) of the most promising prospects and attempt to obtain funding support in the form(s) most attractive to IDRC and these prospects. The identification, research, evaluation, cultivation, and solicitation of these “nucleus prospects” must be undertaken in the most customized fashion; Each prospect will require a “campaign” in itself, involving highly customized messages delivered by carefully selected and carefully trained IDRC officials and senior volunteers who have the capacity to leverage and negotiate funding support at the highest levels.

8. If successful, the approaches to the foregoing “nucleus prospects” should represent attractive “demonstration projects” which will validate the potential of IDRC to identify and tap into new sources of funding support.
9. All of the activities of Phase I of the programme should target only the most promising constituencies and prospects. IDRC must run to its strengths in this regard and it is the opinion of Counsel that multinational organizations based in Canada represent the most immediate constituency of greatest promise. Beyond Canada, IDRC could involve its most capable and motivated officials in identifying, researching, and cultivating relationships with the strongest prospects in the most promising countries and constituencies. In view of the immediacy of the need and the challenges of finite resources and almost unlimited geography, the targeting of IDRC efforts will be crucial to success.

Checkpoint (December 1996)

1. Upon the implementation of Phase I over a period of twelve months, IDRC should assess the effectiveness of the cultivation and “demonstration project” activity and reassess the potential for funding success over the longer term.

Phase II (January 1997 and beyond)

1. Building on the experience of Phase I, develop a comprehensive funding programme utilizing the trained IDRC staff and volunteers, the comprehensive prospect research, the fully tested case for support, the lessons of the “demonstration projects”, and the good will generated by the cultivation programme in Phase I. The Phase II funding programme should include carefully defined strategies, methodologies, timelines, financial objectives, and non-financial objectives, and it should identify regular checkpoints for evaluation and course correction.

Introduction

Introduction

In July 1995, Ketchum Canada Inc. (“Ketchum”) undertook a Planning Study on behalf of the International Development Research Centre (“IDRC” or “the Centre”) with the following objectives:

- To test the feasibility of a \$US100 million revenue diversification programme comprising philanthropic funding as well as a variety of sponsorships and business partnerships;
- To obtain and analyse data which would contribute to the development of a strategy for a major revenue generating programme targeted at philanthropic and corporate partnerships;
- To begin a dialogue with corporations, charitable foundations and individuals important to the success of the Centre’s revenue generating programme.

The Study involved a series of confidential interviews with a cross-section of the Centre’s corporate, foundation and internal or “family” constituencies whose support would be important to the success of the proposed campaign.

The Study was supervised by Ross D. McGregor, Chairman and Chief Executive Officer, and Marnie A. Spears, President and Chief Operating Officer, Ketchum Canada Inc. The majority of interviews were conducted by Heather M. Ferguson, Study Director. Mr. McGregor and Mrs. Spears conducted several select internal interviews.

The evaluation of the data and the formulation of the recommendations were undertaken by a team of Ketchum senior departmental consultants, including all of the above-named individuals as well as Sarah L. Hayes, Planning Study Coordinator, and Catherine Y. MacKinnon, Director of Research.

Method of Study

Method of Study

Study Interviews

The Study began with a series of discussions between the staff of Ketchum and IDRC. The purpose of these discussions was to identify potential participants in the Study, prepare a preliminary Statement of Need, and coordinate the logistics of the Study.

Prospective interviewees for the Study were identified by IDRC in consultation with Ketchum. Forty-one interviews were conducted from August to October 1995. All of the interviews were conducted in person, with the exception of 11 which were conducted by telephone. Most interviews lasted from 45 to 60 minutes and some lasted considerably more than an hour. A complete list of interviewees is attached to this report (*Appendix A*).

A preliminary Statement of Need (*Appendix B*) was prepared in consultation with Ketchum and provided to all prospective interviewees. The Statement was accompanied by a letter from Keith Bezanson, President of IDRC, explaining the Study process and requesting an appointment for the Study Director.

During the interviews, the participants were asked to comment on a variety of issues relating to the programme of revenue diversification currently envisioned by IDRC.

They were first asked to comment on their degree of awareness of IDRC and to provide their perceptions of the strengths and weaknesses of its general image in Canada and beyond. They were then asked to provide their reaction to the more specific initiatives described in the Statement of Need and to comment on the potential of an IDRC revenue diversification programme targeting both philanthropic and commercial sources of support.

Interviewees were then asked to react to a Chart of Standards (*Appendix C*) which approximated the level and number of investments traditionally required for success in achieving \$US100 million goal. They were asked about their potential level of financial support both philanthropically and from the standpoint of a business investment, although it was emphasized that neither IDRC nor the interviewer was asking for a firm commitment at this time.

Apart from their own support intentions, study participants were asked their perception of the availability of investments or gifts at various levels from other sources and the attainability of the goal under consideration. They were asked to identify potential key benefactors and investors. They were also asked to identify those who might assume volunteer leadership roles in the funding effort

once a firm course of action has been decided. Finally, they were asked to comment on the possible timing of the appeal in relation to regional economic conditions and other factors.

In sum, participants in this Study were asked to reflect on a broad range of issues which will impact on the planning and execution of a revenue diversification programme for the International Development Research Centre.

The views of all interviewees are reflected in this report. The Study's statistical findings have been divided into three categories:

Total: Forty interviews are included in the statistical findings. One additional interview was conducted for background purposes and although it is not included in the statistical findings, it is reflected in the qualitative components of this report.

Internal: Eight interviews were conducted with key opinion leaders from IDRC's Board and senior administration.

Corporations: Twenty-three interviews were conducted with representatives of major corporations and with select individuals, with significant linkages, who know IDRC and are in a position to act as future champions for the organization.

Foundations: Ten interviews were conducted with the representatives of select foundations, only one of which had worked with IDRC in the past.

Thirty-one of those respondents who consented to be interviewed were based in North America. However a concerted effort was made to obtain representation from other regions where IDRC has either a significant presence or a reasonable prospect of future partnership opportunities. The other countries and one territory represented in the Study are: Britain (3 interviews), Brazil (1), Germany (2), Hong Kong (1), India (1), South Africa (2) and the United States (4).

At this juncture it should be noted that of the 89 prospective interviewees chosen by IDRC and Ketchum to participate in the Study, 48 declined to be interviewed or were unavailable even after prolonged and persistent efforts by Counsel to arrange interviews. These are identified in *Appendix A*. The number of "declines" was higher among prospective interviewees outside North America. Many of these interviewees cited a lack of knowledge of and affinity to IDRC. It appeared that many of these individuals also found the conceptual nature of the organization and its relevance to their business difficult to grasp even after receipt of the introductory letter, the Statement of Need and, often, several telephone conversations. Among those who agreed to participate in the Study, it should be noted that a high number of requests for interviews were "passed on" to someone else

within the corporation or foundation, often less senior than the individual originally sought for the interview.

Notwithstanding the foregoing, in the experience of Counsel the interviewees who participated in this Study represent an adequate cross-section of the most significant constituencies of the International Development Research Centre. When evaluated in light of other information at hand, it is the opinion of Counsel that the views expressed by the interviewees in the Study provide a suitable basis for the observations and recommendations contained in this report.

Many of the tables of findings in this report include a Normative Positive Response (NPR). This figure represents the optimum level of response considered desirable by Ketchum Canada Inc. for the conduct of a successful fund raising campaign. While not absolute, the NPR figure in each chart represents a useful benchmark for the analysis of the data under consideration.

Notwithstanding the empirical data contained in the following chapters, it is important to note that this report is intended to be more qualitative than quantitative in nature. In essence, it endeavours to articulate the tone, impression and sense of the respondents who participated in the Study, as opposed to a solely statistical reflection of interviewee opinion.

Fund Raising Essentials

Fund Raising Essentials

Through 11 years of institutional fund raising and experience in Canada and beyond, Ketchum has learned that certain ingredients are essential for any successful fund raising effort. These are:

A Positive Image

The institution must enjoy a positive image within its internal and key external constituencies.

A Priority Need

A clearly demonstrable need for funding must be identified by the institution and a strong consensus must be developed in support of this need.

A Logical Plan

A logical plan must be formulated to meet the need. Both the need and the plan must be communicated to, and accepted by, the internal and external constituencies of the institution seeking support.

A Sufficient Source of Contributable Dollars

There must be adequate financial resources within the various constituencies of the institution to meet its need for support. Although the giving standards required for successful fund raising campaigns may vary slightly depending on the nature of the appeal and the environment, the experience of Ketchum suggests that significant, pace-setting gifts/investments are invariably required to achieve success in major capital and endowment appeals.

Strong and Enthusiastic Governing Bodies

The nucleus of any campaign organization is the group which authorizes the programme. Members of the governing bodies of an institution (including the most senior managers) must be dedicated to

the cause and willing to support it generously with their time and energy. They must also be prepared to make financial contributions proportionate to their means.

Influential Campaign Volunteers

The institution must have access to high-level volunteers who are willing and able to influence others. This ideally flows out of the Board and is one of the most vital of all the essentials of successful capital fund raising.

An Adequate Infrastructure

The organization must allocate sufficient financial and staff resources to ensure that the campaign is carefully strategized and implemented, and volunteers are properly enlisted, trained, supported, and recognized throughout the process.

A Sense of Urgency

A pervasive feeling must exist, or be developed, that this project is important and must be undertaken *now*.

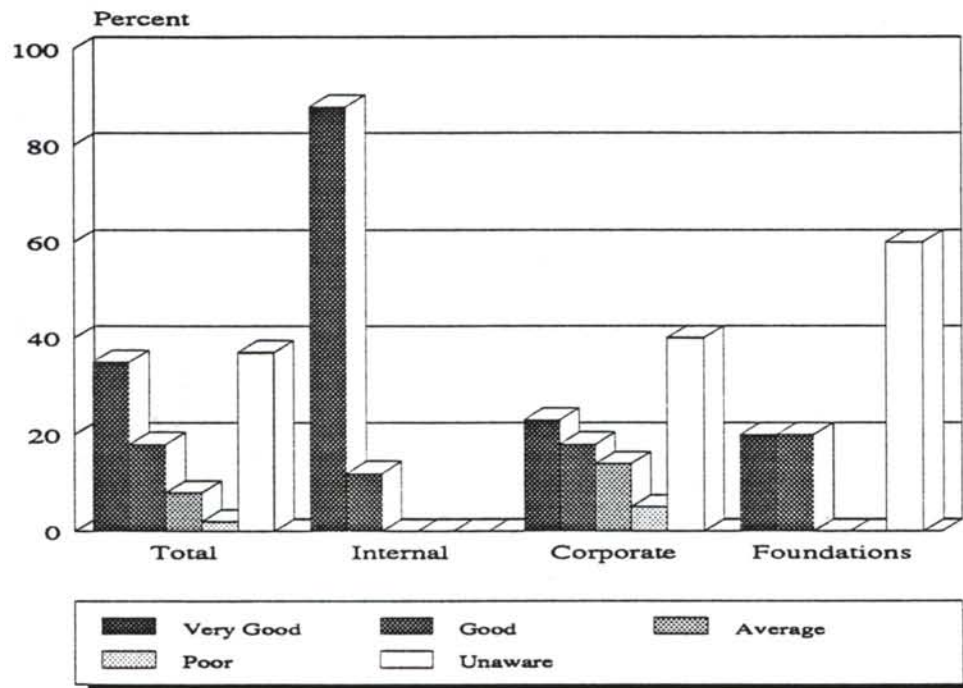
The foregoing are some of the key components considered by Ketchum in evaluating the fund raising potential of the major revenue diversification initiatives which the International Development Research Centre is presently contemplating.

Findings and Observations

The Image of International Development Research Centre

Q.

What is your personal perception of the International Development Research Centre?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Very Good	14 (35%)*	7 (88%)	5 (23%)	2 (20%)
Good	7 (18%)*	1 (12%)	4 (18%)	2 (20%)
Average	3 (8%)	0 (0%)	3 (14%)	0 (0%)
Poor	1 (2%)	0 (0%)	1 (5%)	0 (0%)
Unaware	15 (37%)	0 (0%)	9 (40%)	6 (60%)

* NPR 75%

Table 1a

The Image of International Development Research Centre

In analysing the ability of the International Development Research Centre to mount a successful revenue diversification initiative, the first factor considered was the Centre's image. All interviewees were asked to express their personal view of IDRC and how they feel the organization is perceived by others in the international development community as well as the corporate community.

The findings are reflected in the statistical graphs and tables on the opposite and following pages (Tables 1a through 1d).

Analysis and Interpretation

As Table 1a indicates, over 50% of interviewees characterized their personal view of IDRC as either "very good" or "good". However, nearly 40% were unaware of the existence of the Centre prior to their participation in the Study.

Respondents were extremely tentative when they were asked to assess the perceptions of the corporate community toward IDRC. As Table 1b indicates, 90% felt the corporate community is "unaware" of the work of IDRC.

The foregoing results fall considerably below the recommended response of 75% "good" or "very good" for these subjective and objective questions.

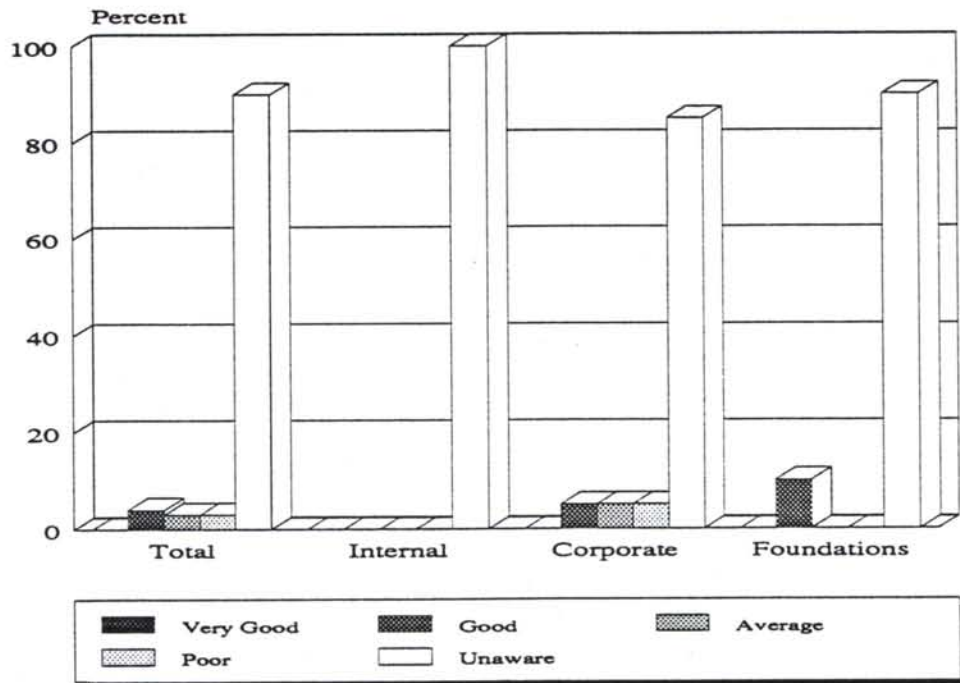
On the other hand, it is encouraging to note that when asked how they believed IDRC would be perceived by the international development community respondents were positive, with almost 70% believing IDRC's image to be "good" or "very good" (Table 1c).

The following positive trends regarding the image of IDRC emerged:

- All internal respondents had "very good" or "good" personal impressions of IDRC. They believe the work of the Centre is important and that its orientation toward science and technology is fundamental to the ultimate success of international development;
- Canadian interviewees were considerably more interested in discussing a "possible fit" with IDRC than were other corporations and foundations around the world. Often, Canadian

Q.

How do you feel IDRC is perceived
by your corporate community?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Very Good	0 (0%)*	0 (0%)	0 (0%)	0 (0%)
Good	2 (4%)*	0 (0%)	1 (5%)	1 (10%)
Average	1 (3%)	0 (0%)	1 (5%)	0 (0%)
Poor	1 (3%)	0 (0%)	1 (5%)	0 (0%)
Unaware	36 (90%)	8 (100%)	19 (85%)	9 (90%)

* NPR 75%

Table 1b

respondents better understood the mission and structure of IDRC, and they were already familiar with some of the people involved;

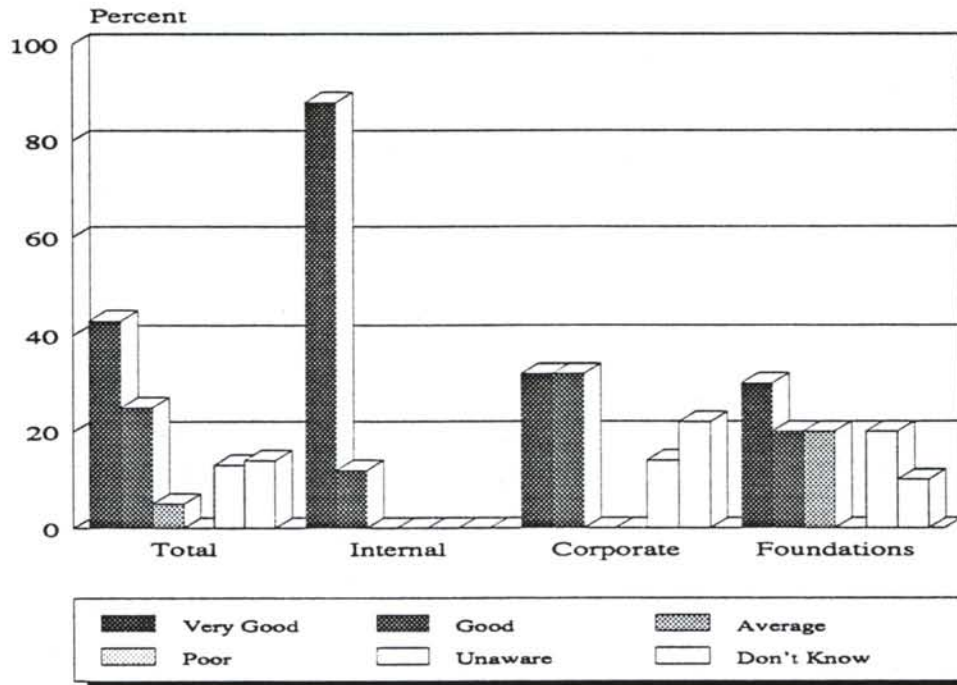
- External respondents with a past association with IDRC generally felt a strong loyalty toward the organization and a strong respect for the work that it undertakes. Overall, these informed respondents felt that IDRC is well managed, sufficiently independent of government to determine its own destiny, and produces practical answers to the problems facing the developing world;
- Many of the external respondents with no prior knowledge of IDRC were surprised and impressed with the size, the mission and the apparent “reach” of the organization;
- Several respondents believed that IDRC’s orientation toward international partnerships and promotion of indigenous expertise in developing countries were among its strongest and most important features;
- Many Canadian respondents, even those who had no prior knowledge of IDRC commented positively on how the organization’s mandate fits into the view Canadians have of themselves, that of the “active helper” or “boy scout/girl guide” of the world;
- Some respondents from outside Canada saw the fact that IDRC is Canadian as a significant asset. Canada was seen by some respondents as having no particular ideology to promote and as a country which is interested in the betterment of the world. IDRC benefits from that image while its own mandate strengthens it;
- A handful of interviewees spoke highly of the “Friends of IDRC” newsletter, describing it as an effective source of information about the organization.

Quite apart from the foregoing strengths, the following challenges with respect to the image of the International Development Research Centre should be addressed in the early stages of the proposed revenue diversification initiative:

- While many internal respondents were fully aware of IDRC’s low public profile, they appeared less aware of the extent to which this lack of profile hurts the Centre as it pursues new connections within the corporate world. Indeed, among corporate respondents the vacuum created by this lack of awareness has often led to negative impressions of IDRC including numerous stereotypes held by business about academia and government, many of which may bear little resemblance to reality;

Q.

How do you feel IDRC is perceived by the international development community?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Very Good	17 (43%)	7 (88%)	7 (32%)	3 (30%)
Good	10 (25%)	1 (12%)	7 (32%)	2 (20%)
Average	2 (5%)	0 (0%)	0 (0%)	2 (20%)
Poor	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Unaware	5 (13%)	0 (0%)	3 (14%)	2 (20%)
Don't Know	6 (14%)	0 (0%)	5 (22%)	1 (10%)

Table 1c

- Many business leaders drew from their experiences with other quasi-governmental and academic institutions to articulate their perceptions of IDRC. On the whole, they perceived IDRC to be too “process-oriented” and not “results-driven”. They suggested that perhaps IDRC is too concerned with “doing good” and not enough with the “bottom line”. Some corporate respondents felt that, based on their experience with other quasi-governmental organizations, the difference in IDRC’s culture and their own would become an intractable obstacle which would render any joint venture too costly in terms of time and energy spent;
- Some respondents felt that IDRC is too “unfocussed” and it is trying to conduct too many projects in too many subject areas at the same time. A significant number of respondents reiterated this concern later in the Study when responding to questions about the preliminary Statement of Need;
- Some respondents felt IDRC may duplicate the work of other organizations already working in the area of development;
- A handful of respondents outside Canada said they would prefer to work with development organizations which are based within their own country before working with IDRC;
- The high number of prospective interviewees who declined to participate in the Study is indicative of the lack of knowledge and understanding about IDRC and is an early indicator of the cultivation and communications work which needs to be undertaken by the Centre.

Some representative comments include:

“IDRC has an excellent in development circles.”

“It helps people help themselves.”

“I was astounded to learn of the breadth of the organization. It sure is a well kept secret.”

“I can’t tell what their strengths might be but they’ve survived for 25 years so they must be useful.”

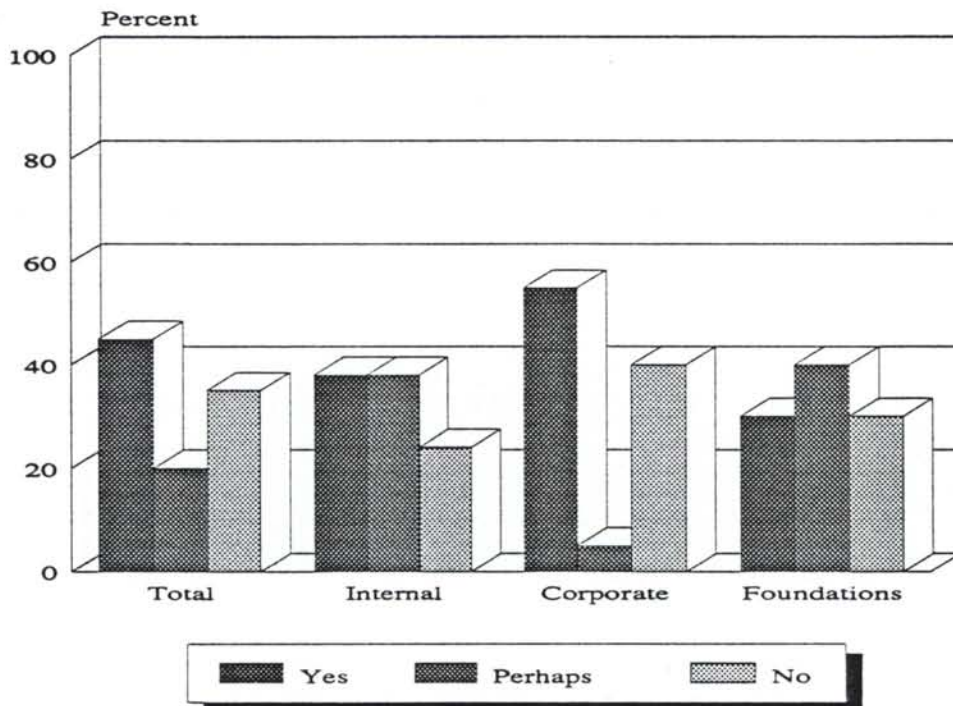
“They have the ability to attract high profile people to work inside the development process.”

“Their track record is good.”

“It is the best example of partnership anywhere in the world. It’s not top-down directed development.”

Q.

Do you believe IDRC's parliamentary grant will adversely affect its ability to diversify its revenue base?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	18 (45%)	3 (38%)	12 (55%)	3 (30%)
Perhaps	8 (20%)	3 (38%)	1 (5%)	4 (40%)
No	14 (35%)	2 (24%)	9 (40%)	3 (30%)

Table 1d

"I think of IDRC very fondly."

"IDRC has built a real niche and is well received. It has partnered very effectively in developing countries."

"It's a worldwide organization. That's a plus."

"IDRC is an extremely credible, creditable institution in the finest tradition of Canadian idealism. It's our boy scout/girl guide, let's save the world idea."

*"Being Canadian is a plus. They are good business people but much more neutral politically."
(American respondent)*

"It's a Canadian organization with no axe to grind. It's seen as having no political goals."

"I'm amazed I've never heard of them before. My initial reaction was, 'Is this another vehicle created without testing the need for it first?'"

"Corporations think, 'What is IDRC?' Part of that is the name. Corporations look at acronyms and find them difficult."

"The image is not there. They've not taken any interest in the private sector and indeed have often been anti-private sector."

"This was the first time I had been aware of IDRC."

"They don't like anyone to interfere with their ideas."

"The proximity to government makes me suspect it's fat and inefficient."

"They may be bloated and bureaucratic. People know so little about them they may fall into the UN syndrome."

"They're government supported so they never have had to worry about where the money's coming from."

"In our experience, research in an organization of this type is not done in response to customer need, but simply because it's there to be done."

“The work is spread too widely. They need to concentrate on a few achievements. Then their results would be more effective.”

“How are they different from CIDA? How many organizations do we have doing essentially the same thing?”

“From our perspective in the US, it’s a weakness to have it based in Canada.”

“We are unaware of them - but from a German point of view also uninterested. We would have no interest in a foreign ‘NGO’ when we have domestic organizations trying to accomplish the same thing.”

Effect of Government Funding on the Image of IDRC

Interviewees were asked what impact, if any, IDRC’s current funding from government would have on its ability to attract alternative sources of income.

Table 1d shows that opinion was largely divided on this issue. However, it is significant that over half the corporate respondents felt that the perception of IDRC as a government agency will have an adverse impact on its image. It was in this area of the Study that corporate respondents drew most heavily from past experiences with governmental and academic organizations.

The following general trends emerged in response to this question:

- Those from countries more used to government intervention, like Britain and India, were not disturbed by the possibility of working with a government funded agency;
- A handful of respondents felt that rather than causing problems, government funding can sometimes exert a positive influence by mitigating the risk inherent in new partnerships or ventures;
- For many interviewees however, IDRC’s parliamentary grant was a practical concern which sprang from a perception that assured funding from government detracted from the need for an organization to be lean and results driven;
- Most of those from the United States and a few interviewees from Canada were adamant that they would not fund any organization that derived a portion of its income from government;

- Some corporate interviewees saw the profit motive as the great test of efficiency and competitiveness. They felt government funded organizations deal with no such imperative;
- Some respondents were reluctant to donate to government funded organizations but would be happy to entertain a business proposal.

Some representative comments include:

"No, it has no impact with us."

"No, government funding would not be a problem but we would deduct government backing from any request and calculate a percentage of the public request."

"No, funding from the Canadian government is not a problem for us in India."

"Very little, but what IDRC needs now is to establish itself better with the international corporate sector; so little seems to be known of it outside quasi-government circles."

"No, often bringing in government funding to risky ventures spreads the risk and encourages new players."

"Yes, public sector needs and approaches are different."

"(Government funding means there will be) a clash of cultures and it is usually very difficult to bridge that gap. To change the culture you have to physically put academic researchers into a private sector R&D Team. Then they see that everything must have a definable use and that there are deadlines to be met."

"Government research groups are always suspect. The question is always, 'What have you done and what has been the tangible impact of your work?'"

"In Germany, people believe that this is the government's job to help the Third World, and further that the taxes we pay are so high that government should do a good job."

"Our board balks at support for any organization, like IDRC, which is funded by government."

"(Government funding) has a strong negative impact. Private donors are very reluctant to support government funded agencies with a macro-focus and relatively little 'bottom line' accountability."

"In the States it would be easier to get money if they weren't funded by government."

"If they are thinking of doing something in the States, government funding would be a problem."

"Yes, businesses will look on that (government funding) with suspicion."

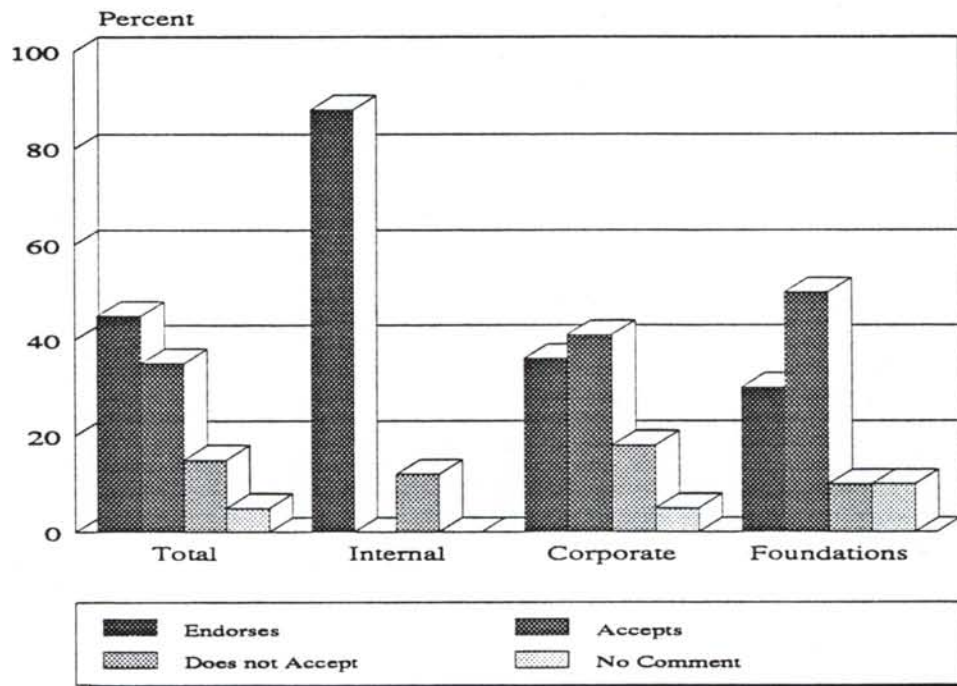
"The history of government involvement in these projects is spotty and wasteful."

"Everybody at IDRC is individually competent but their roles would probably be made more effective by business being involved. For example, if they want to find a way to grow more wheat, business would probably say, 'Fine, lets do it in a country where we can get some contracts'."

Response to the Case for Support

Q.

Do you endorse the IDRC revenue diversification plan described in the preliminary Statement of Need?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Endorses	18 (45%)*	7 (88%)	8 (36%)	3 (30%)
Accepts	14 (35%)*	0 (0%)	9 (41%)	5 (50%)
Does not Accept	6 (15%)	1 (12%)	4 (18%)	1 (10%)
No Comment	2 (5%)	0 (0%)	1 (5%)	1 (10%)

* NPR 75%

Table 2

Response to the Case for Support

Interviewees were provided with a copy of the preliminary Statement of Need (*Appendix B*) and asked whether they understood and endorsed the need for IDRC to diversify its revenue base. They were also asked to comment on the strengths and weaknesses of the program of action described in the preliminary Statement of Need.

The findings are reflected in the statistical graph and table on the opposite page (Table 2).

Overview

As the results in Table 2 indicate, 80% of all internal and external respondents "endorsed" or "accepted" IDRC's case for support as outlined in the preliminary Statement of Need. This response substantially exceeds the NPR of 75% for this question.

The following points emerged regarding the general revenue diversification and downsizing objectives articulated in the Statement of Need:

- Not surprisingly, internal interviewees were generally the most acquainted with the funding requirements of IDRC and therefore tended to strongly support the need for the Centre to diversify its revenue base. Almost 90% "endorsed" the Statement of Need and IDRC's plan to diversify the revenue base;
- A few internal interviewees expressed the concern that some of their colleagues were not wholly in favour of the revenue diversification initiative because they worried that IDRC's original mandate might become compromised;
- Most corporate respondents were impressed by IDRC's moves to "downsize" the operation as well as its efforts to develop a more entrepreneurial environment and diversify its funding sources;
- Some external respondents only passively "accepted" the preliminary Statement of Need and they expressed skepticism about the ability and determination of any "quasi-governmental agency" to implement the proposed financial and attitudinal shift. Numerous interviewees sought more detail regarding IDRC's progress in focussing programmes, downsizing operations and diversifying sources of revenue to date;

- Some respondents questioned whether the Centre had used the opportunity presented by a diminishing resource base to significantly reduce its mandate in addition to, or instead of, trimming operations and seeking alternate sources of funding.

Aside from the general endorsement of the revenue diversification and downsizing concepts, the following points emerged regarding the program of action described in the preliminary Statement of Need:

- Most external respondents said they would not support IDRC's proposed plan to meet its funding needs through any campaign aimed at enhancing core funding. However, they were generally supportive of local and regional project-based funding achieved either philanthropically or through business partnerships;
- Although there was general agreement that an endowment would be in IDRC's best interests, most respondents seriously questioned the appeal of endowment projects both for their organizations and those of other potential donors or investors;
- Many corporate respondents said the final case for support should focus on fewer activities. Often they compared the breadth of IDRC activity to their own companies and felt that IDRC is "probably riding too many horses";
- Many respondents suggested IDRC focus on a few "competencies" which they considered marketable;
- No specific funding programmes in the preliminary Statement of Need elicited much more support than others. Most interviewees felt that the funding of specific programmes would depend largely on the receptivity of those with the strongest self-interest (eg: telecommunications companies supporting "information highway" projects);
- Apart from the list of specific projects in the Statement of Need, some interviewees notionally endorsed the value of developing indigenous expertise in areas such as banking, government and law which would lead to the long term creation of a viable marketplace in many emerging nations. Notwithstanding the notional endorsement of this concept, however, most corporate interviewees felt the benefit would be too remote and uncertain to justify a significant investment on their part;
- Most respondents were impressed with IDRC's global network of experts and contacts. Many were interested in the quality, the number of contacts and how the network might be useful to their own corporate objectives. Those companies which were themselves emerging

in the global marketplace expressed particular interest in this regard;

- Almost all external interviewees cautioned that significant corporate or foundation support would not materialize for IDRC without intensive, highly targeted cultivation of prospects, and highly customized funding proposals appealing to the specific philanthropic/business interests of each prospect.

Some representative comments include:

"We need to do something now."

"I'm spending about 2/3 of my time already on finding other sources of revenue."

"Some (internal) people are just not on-side."

"Some are not happy about it but it does need to be done."

"This is a good organization. The statement indicates they're trying (to down-size). More power to them."

"This statement recognizes the need for change."

"They are looking at all ways of diversifying. This goes over well when looking for grants."

"IDRC is trying to develop a more entrepreneurial mind set."

"Corporations will require a much stronger case with financials and it should be much more strongly marketed."

"A new culture must be developed internally and that's hard."

"I would endorse this personally, but not professionally." (Germany)

"Some would see this as an opportunity to review the mandate."

"We would need to know far more about specific projects."

"It will be hard to find core funding."

"I just do not believe core funding will be possible from the U.K. corporate or charitable Third World sectors."

"I believe core funding will prove very difficult, but I believe organizations might fund specific projects."

"It will be difficult to find organizations which will fund endowments or sinking funds."

"I'm struck by how broad IDRC is. We have trouble riding one or two technology horses. To ride this many absorbs a lot of administration."

"I don't know why they're doing all these things. Pure gut says to lop off 10-15%. There are too many things going on."

"The focus is too wide. They have to select a focus and then aggressively build on it."

"It's too general. I can't get a good fix on where we might help."

"It's (the statement) far too long. They should boil it down and put it in focus. This is far too much of a fishing expedition."

"A small or medium sized business would be doing well if its first business venture outside Canada was done with the help of IDRC."

"My shareholders would never let me dabble in this stuff. Its too long term. We would probably do it through our industry association."

"I can see the benefit, for me, of a stable sophisticated economy in these places but it seems too far off. I could never see the profit for the company."

"We have some interest in evolving internationally. They might help us out."

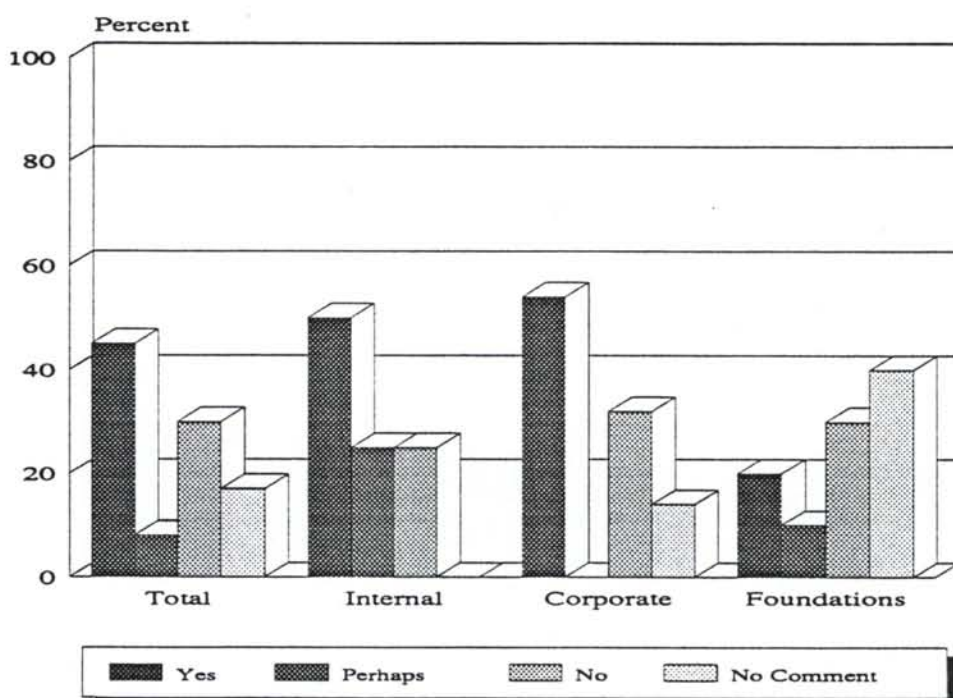
"IDRC's network in other countries is attractive to us."

"If you give me a proposal that's very specific then we can talk."

Attainability of the Goal

Q.

Do you feel that the prospective \$US100 million acquired on a global basis over a period of 4 years is attainable?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	18 (45%)*	4 (50%)	12 (54%)	2 (20%)
Perhaps	3 (8%)*	2 (25%)	0 (0%)	1 (10%)
No	12 (30%)	2 (25%)	7 (32%)	3 (30%)
No Comment	7 (17%)	0 (0%)	3 (14%)	4 (40%)

* NPR 75%

Table 3a

Attainability of the Goal

An important prerequisite for the success of the IDRC revenue diversification initiative will be identifying a financial goal which is considered attainable by those who will be depended upon to provide leadership and to set the pace. Experience shows that people support funding programmes which they perceive as attainable. They are generally less supportive of those they feel are too ambitious.

Each interviewee was asked to consider the attainability of a \$US100 million goal acquired globally over a four year period through a combination of revenue generating projects and philanthropic giving.

During each interview, a breakdown of the \$US100 million goal was presented to the respondents. Under the proposed breakdown, \$US30 million would be raised in North America and Europe, \$US30 million in Asia, \$US20 million in Africa, and \$US20 million in Latin America. In this regard, respondents were asked if they felt that the defined portion of the goal could be raised in their region and if the overall breakdown of the goal was realistic.

The findings regarding the perceived attainability of the goal are reflected in the statistical graphs and tables on the opposite and following pages (Tables 3a through 3d).

Respondents were also asked to comment on the availability of major investments for the IDRC initiative in relation to a traditional Chart of Giving Standards (*Appendix C*) indicating the number and level of investments normally required to achieve success in a \$US100 million appeal.

The findings are reflected in the statistical graphs and tables in the pages to follow. (Tables 3e through 3g).

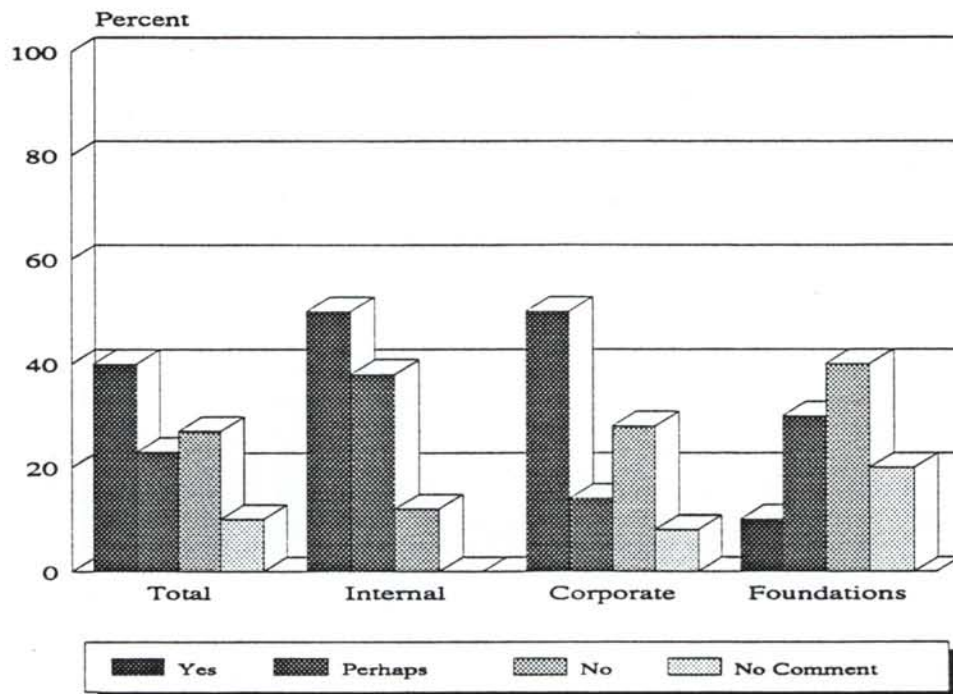
Overview of the Goal

As Table 3a shows, the response considering the attainability of the overall \$US100 million goal was divided. While 53% felt the goal is or is “perhaps” attainable, 30% believed the goal is not attainable and a further 17% offered no comment. This result falls considerably short of the NPR of 75% for this area of the Study.

Forty percent of all respondents believed that the proposed regional goals could be achieved in their region (Table 3b) while 35% of respondents (Table 3c) believed the goals in other regions could be

Q.

Do you feel that the prospective goal designated for your region is attainable?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	16 (40%)	4 (50%)	11 (50%)	1 (10%)
Perhaps	9 (23%)	3 (38%)	3 (14%)	3 (30%)
No	11 (27%)	1 (12%)	6 (28%)	4 (40%)
No Comment	4 (10%)	0 (0%)	2 (8%)	2 (20%)

Table 3b

attained. While acknowledging the very small sample of regional interviewees outside Canada, these results indicate a clear lack of confidence in the attainability of regional goals totalling \$US100 million.

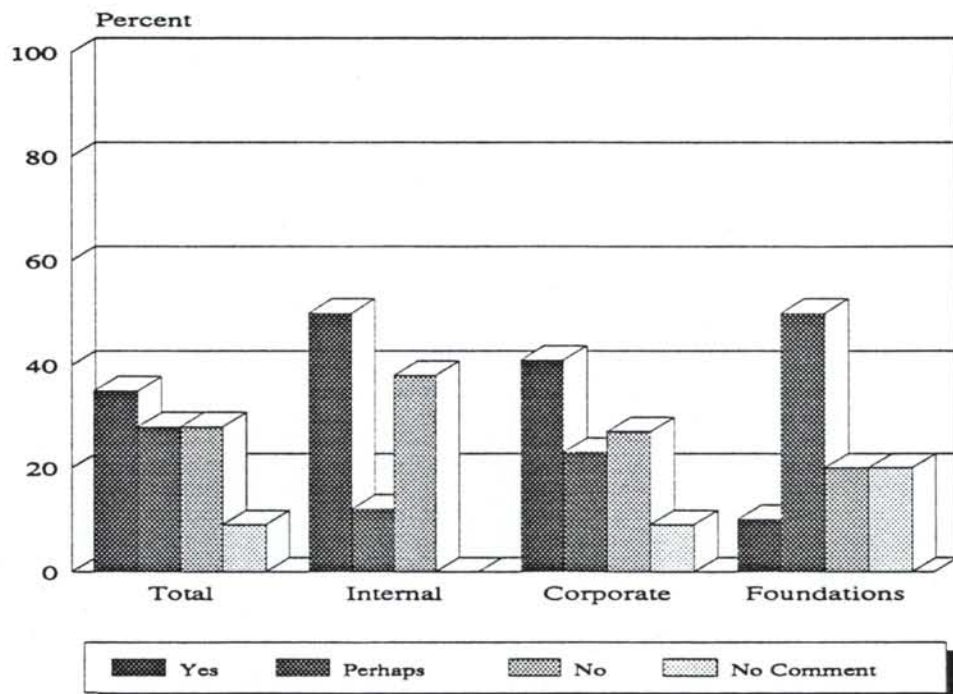
During the interview process it became clear that respondents did not carry strong perceptions about a goal. Most qualified their answers, generally indicating that the level of the goal would depend on the reconfiguration of the Case for Support and, most particularly, the attractiveness of the specific projects offered to specific prospects. In this regard, many interviewees reiterated their lack of enthusiasm for the support of core funding or broad endowments as opposed to specific projects tailored to their own interests.

The following general trends emerged:

- An important nucleus of experienced Canadian fund raisers expressed concern about IDRC's ability to attain the goal. While they were impressed by the revenue diversification plan, most cautioned that IDRC is "moving from a standing start" and they felt that the programme would require years of effort and perseverance to achieve success;
- The perceived attainability of the goal was often reflective of the respondent's personal experiences. For example, foundations do not typically grant the level of funding which IDRC was testing, especially for the purposes described in the Statement of Need, and foundation interviewees were therefore less inclined to view the proposed goal enthusiastically. On the other hand, business respondents generally focussed on the attainability of the goal through larger scale revenue generating projects, something which some of them felt was possible under the right circumstances;
- American respondents were more optimistic about meeting the goal through philanthropy, although they often used examples of US schools with wealthy alumni and a long history of fund raising as indicators of IDRC's potential success;
- Many felt that IDRC could achieve a significant objective through commercialized project financing (as opposed to philanthropic support) as a way of attracting significant investments;
- IDRC's regional and local offices provide corporations with the option of dealing with head office or dealing at a more local level. That flexibility was seen as a positive advantage in the marketplace;
- Most of those who felt the \$US100 million is unattainable cited IDRC's low profile among

Q.

Do you feel that the prospective goal
is attainable in other regions?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	14 (35%)	4 (50%)	9 (41%)	1 (10%)
Perhaps	11 (28%)	1 (12%)	5 (23%)	5 (50%)
No	11 (28%)	3 (38%)	6 (27%)	2 (20%)
No Comment	4 (9%)	0 (0%)	2 (9%)	2 (20%)

Table 3c

potentially high level donors or investors, relatively limited experience with revenue generating activities and tenuous connections to the business community;

- Respondents who were sceptical of the proposed financial objective were asked to consider an alternative goal. Most said they would be more comfortable with an initial goal in the range of \$US25 million which they believed would have a more likely chance of success and would create further opportunities on which to build;
- Some respondents in Canada and abroad said that they would rather focus on domestic concerns than send money out of the country;
- A few interviewees said there was potential for IDRC to work with small and medium sized businesses which are just beginning to enter the global marketplace.

Some representative comments include:

"The goal is attainable if you put your back into it, and you engage the support of some very powerful friends in the public and private sectors."

"If we can raise \$15 million for a community hospital here in Vancouver, \$100 million does not seem unrealistic world-wide."

"I guess it's reasonable. I estimate the investment of the oil industry in Asia over the next 5 years at US\$300,000,000. How do you put that into perspective (when measuring what goal is attainable?)"

"One hundred million is obtainable in smaller amounts if they can find useful, commercially oriented projects."

"One hundred million is feasible but one thing that is unclear is the payback to organizations. Not much explains why they should get involved. What's the incentive?"

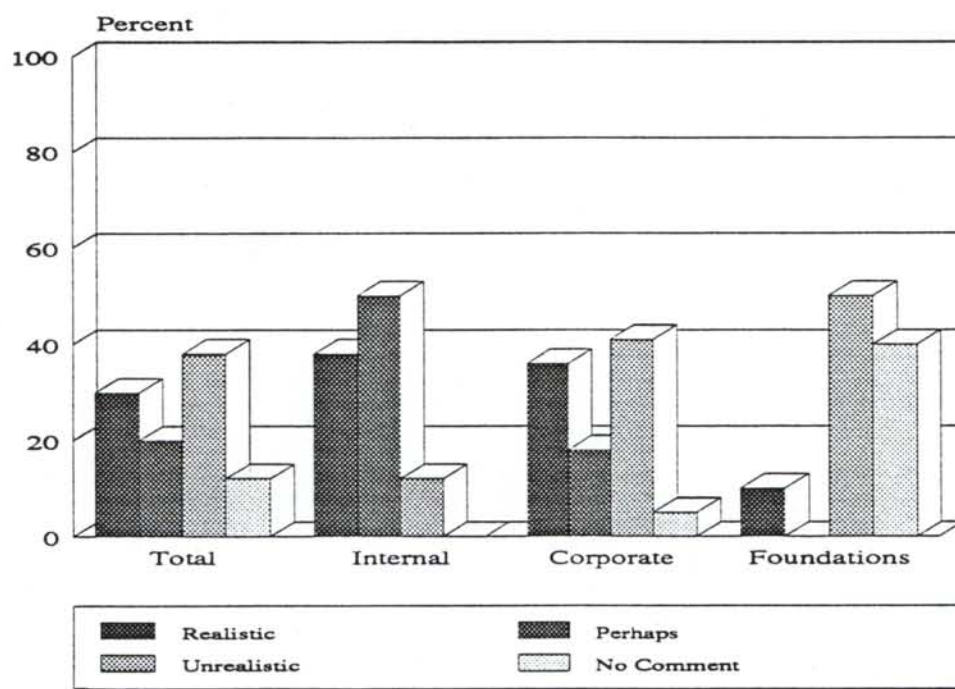
"They are more likely to attain that goal on the business development side than on the charitable donation side."

"Our donation budget is \$Cdn1.1 or \$Cdn1.2 million per year. This would wipe us out."

"I cannot believe that trusts like ourselves would be interested in giving in this way. You may be lucky with the corporate sector but I doubt it."

Q.

Do you believe the breakdown in
the Chart of Standards is realistic?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Realistic	12 (30%)*	3 (38%)	8 (36%)	1 (10%)
Perhaps	8 (20%)	4 (50%)	4 (18%)	0 (0%)
Unrealistic	15 (38%)	1 (12%)	9 (41%)	5 (50%)
No Comment	5 (12%)	0 (0%)	1 (5%)	4 (40%)

* NPR 60%

Table 3d

"Very few companies are increasing the size of their donations budgets. As well, there is a reallocation going on. Companies are targeting their donations so they can have a greater impact."

"There is big money in families and the smaller countries in Asia - not in China."

"In Brazil, we're trying to keep the money in, not give the money away. Our contribution would have to stay in Brazil."

"The cause is much too diffuse to attract that kind of money. Ten million would be more like it."

"No gift will be higher than about \$2.5 million and the entire campaign shouldn't exceed \$10 million."

"Maybe five years from now you could get it but you're coming from a standing start and that's going to be tough. It's going to take quite a few years to create the high level relationships which are required to raise this type of money."

"This is an ambitious goal. The only one I can remember that was that big was McGill."

"They need a white knight to raise this kind of money."

"Corporations would say, 'We don't give to USAID. Why give to a Canadian organization?'."

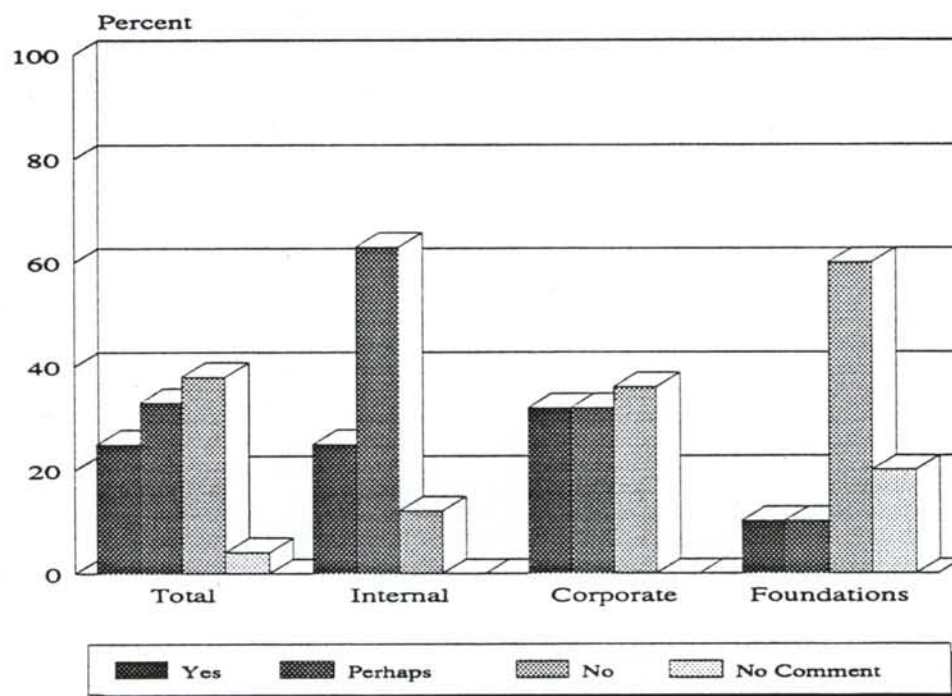
"We are a major manufacturer of solar panels. As an example, IDRC should seek gifts in kind of this type of equipment from industry for development projects."

"In terms of companies in international markets, IDRC does not have the external network to compete with an Ernst & Young or a Price Waterhouse. And if IDRC started competing with the private sector there would be howls."

"Why don't they get the government to give them a half billion dollars, a one time only payment, after which their government funding will be completely cut off? They could use that as an endowment and then use any other money to fund specific projects. That would also make it easier to go after US private funding in the future."

Q.

Do you believe the Top Investment or gift to be available?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	10 (25%)*	2 (25%)	7 (32%)	1 (10%)
Perhaps	13 (33%)	5 (63%)	7 (32%)	1 (10%)
No	15 (38%)	1 (12%)	8 (36%)	6 (60%)
No Comment	2 (4%)	0 (0%)	0 (0%)	2 (20%)

* NPR 60%

Table 3e

Perceived Availability of Major Gifts or Investments

The Chart of Standards

Interviewees were asked to react to a Chart of Standards (*Appendix C*) which reflects the level and number of investments and/or gifts normally required for success in achieving a \$US100 million goal.

The results in Table 3d show that only 30% of respondents felt the Chart of Standards is realistic. This falls below the NPR of 60% and shows that, when asked specifically to consider the Chart, interviewees were sceptical about the Centre's ability to attract the number and level of investments necessary for a \$US100 million initiative.

Top Ten Gifts or Investments: As Table 3e indicates, only 25% of respondents felt that the lead gifts or investments of \$US15 million is attainable and it is significant that almost 40% felt it is unattainable at this time. External interviewees were noticeably more inclined than internal respondents to view the lead investment pessimistically.

The results concerning the top ten gifts ranging from \$US2.5 million to \$US10 million are marginally more optimistic with slightly less than 30% of respondents believing that gifts at this level are attainable (Table 3f). A further 35% felt that such gifts are “perhaps” attainable.

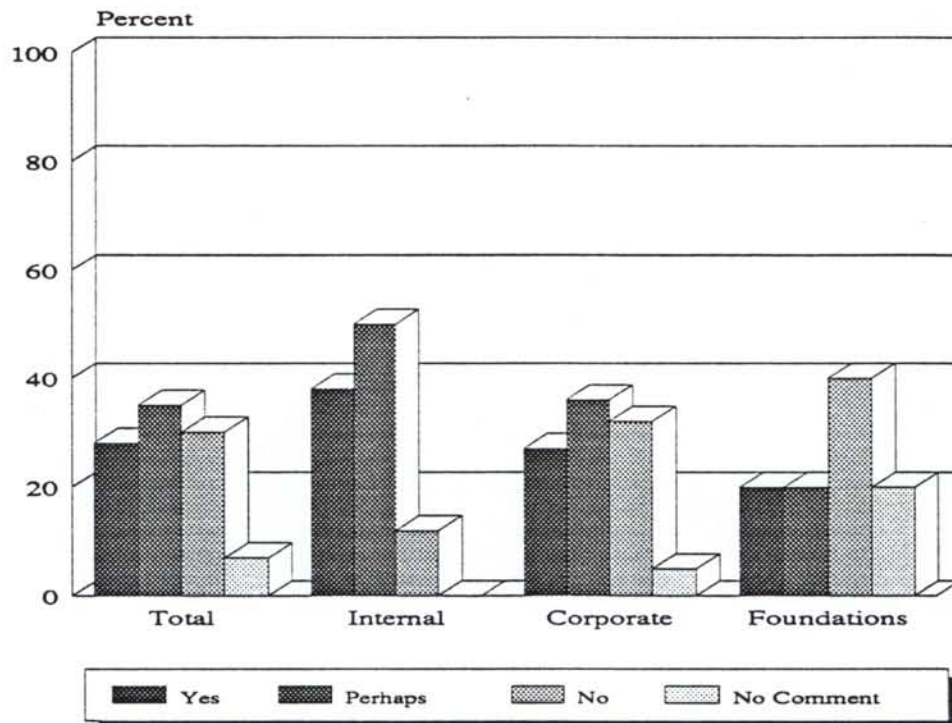
Even among those who felt the top gifts were available, relatively few interviewees were willing or able to suggest the names of potential prospects or suspects who might support IDRC. A handful of individuals, multinational corporations and large international foundations were identified as having the means and perhaps the inclination to invest at these levels. Some external respondents were optimistic about the possibility of a pace-setting gift or investment coming from Canada. A list of these and all other names which emerged during the Study will be provided to IDRC under separate cover.

Remaining Gifts or Investments: Respondents were significantly more optimistic when they were asked to assess the availability of gifts at \$US1 million or below (Table 3g). More than 80% of all interviewees felt these investments would or would “perhaps” be available. Many respondents were confident that the Centre would more likely attract investments from corporations at this level. Corporate interviewees themselves often felt the other levels were too high for corporate involvement.

Overall it is clear that the majority of respondents did not believe a \$US100 million goal is attainable at this juncture. While many felt the Centre would be able to attract a reasonable level of support

Q.

**Do you believe the Top Ten investments
or gifts to be available?**



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	11 (28%)*	3 (38%)	6 (27%)	2 (20%)
Perhaps	14 (35%)	4 (50%)	8 (36%)	2 (20%)
No	12 (30%)	1 (12%)	7 (32%)	4 (40%)
No Comment	3 (7%)	0 (0%)	1 (5%)	2 (20%)

* NPR 60%

Table 3f

from corporations, foundations, and individuals, the majority of interviewees predicted that the Centre would have difficulty attracting the level and number of investments necessary for a successful campaign of this magnitude.

Some representative comments include:

"Canadian companies with an interest in the stability of a certain country would be very interested in IDRC. But these levels are out of sight."

"As markets, Africa and many countries in Eastern Europe are about hopeless. Asia still has pockets of difficulty. South America is doing better. You may get a few major contributions from other countries but they will be difficult to identify."

"There are lots of people in this country (Canada) who can give \$15 million but they're quiet about it. The linkage would have to be strong for a donation or investment at these higher levels."

"For example, Inco has significant holdings in Papua New Guinea. They might give that kind of money and perhaps you can identify the appropriate linkages to appeal to their corporate self interest."

"Didn't Bombardier try to get some subway cars into Southeast Asia? They might partner on some transportation research. But these levels of investment (on the Chart of Standards) are very aggressive."

"You may get a few seven-figure investments if you work hard, but I can't imagine an overall goal of more than \$US10 to \$US15 million."

"It is not out of line to make a commitment to \$1.5 million if we have a corporate interest."

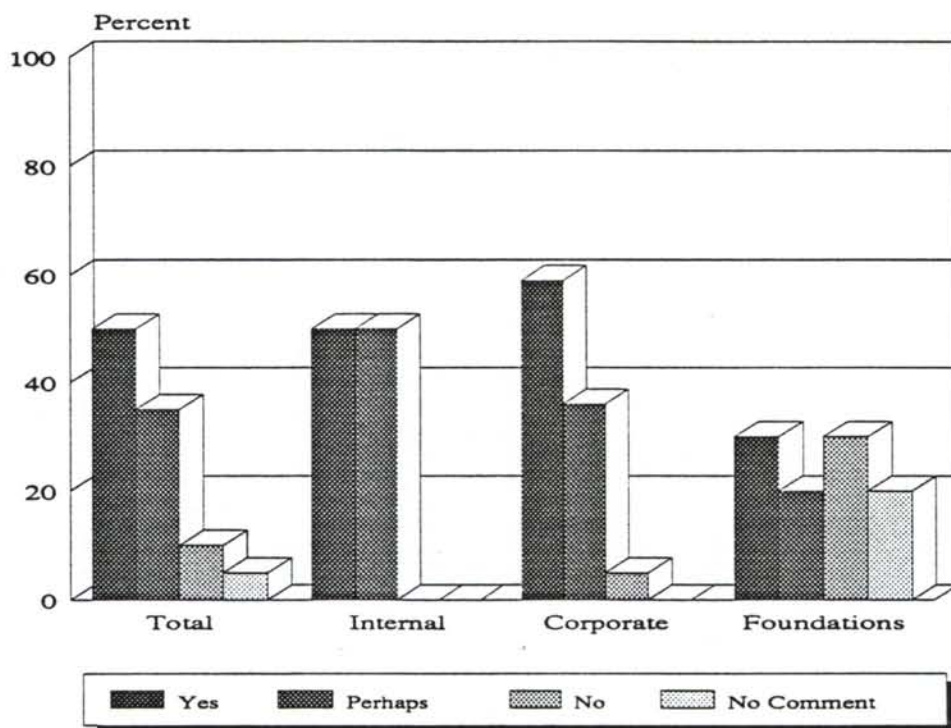
"Research is not as attractive to private donors as "direct" human service."

*"They should ask themselves, 'What are we doing that **they** are doing? What would be in the interests of the shareholders of the company?' They should appeal both to the high-mindedness and the bottom-line of the prospective company."*

"Global corporations will only commit to that kind of money if they have a strong corporate interest. You may attract a few big investments but a \$US100 million objective for this organization at this time is staggering."

Q.

**Do you believe the remaining
investments or gifts to be available?**



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	20 (50%)*	4 (50%)	13 (59%)	3 (30%)
Perhaps	14 (35%)*	4 (50%)	8 (36%)	2 (20%)
No	4 (10%)	0 (0%)	1 (5%)	3 (30%)
No Comment	2 (5%)	0 (0%)	0 (0%)	2 (20%)

* NPR 80%

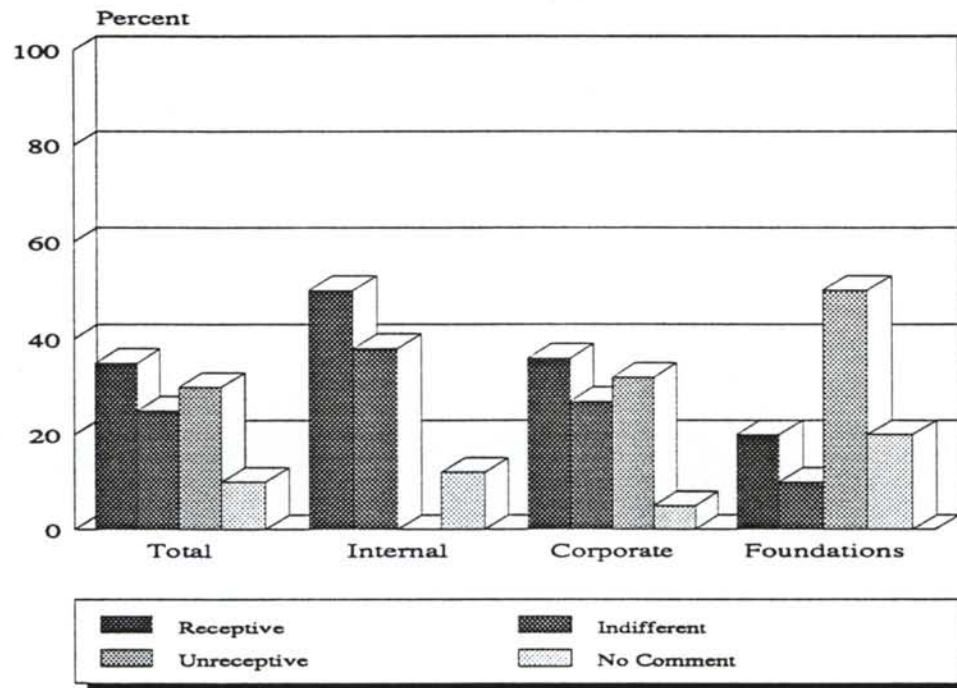
Table 3g

As IDRC proceeds with the revenue diversification initiatives, it must ultimately select a goal which is challenging, but attainable. The legacy of this initiative will extend far beyond the funding that it raises. If unsuccessful, it may significantly impair the Centre's future revenue potential, just as a successful initiative will enhance future efforts. Clearly, it is strategically more sound to attain a realistic goal within a reasonable time frame than to fall short of an inflated one.

External Receptivity and Support

Q.

How do you feel your regional corporate community will respond to the proposed initiative by IDRC?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Receptive	14 (35%)	4 (50%)	8 (36%)	2 (20%)
Indifferent	10 (25%)	3 (38%)	6 (27%)	1 (10%)
Unreceptive	12 (30%)	0 (0%)	7 (32%)	5 (50%)
No Comment	4 (10%)	1 (12%)	1 (5%)	2 (20%)

Table 4a

External Receptivity and Support

One of the most important reasons for conducting this Planning Study is to assess potential levels of support from select benefactors or investors. Respondents were asked about the receptivity of their regional corporate community to IDRC revenue diversification initiatives and also about their perception of the multinational corporate response.

Those in a position to influence a corporate or foundation investment were then asked whether they would consider authorizing a gift or investment, and to assess the level of importance an IDRC proposal might find in their organization.

Finally, select respondents were asked about the types of commercial alliances which their organization would typically enter and about any preferred areas of investment as defined by the preliminary Statement of Need.

The findings are reflected in the graphs and statistical tables on the pages opposite and following (Tables 4a through 4f).

Overview of Corporate Receptivity

As Table 4a indicates, the response to the question of regional corporate receptivity is fairly evenly split. However it is significant that only about one third of all respondents felt that corporations in their region would be receptive and a similar number felt such corporations would be unreceptive.

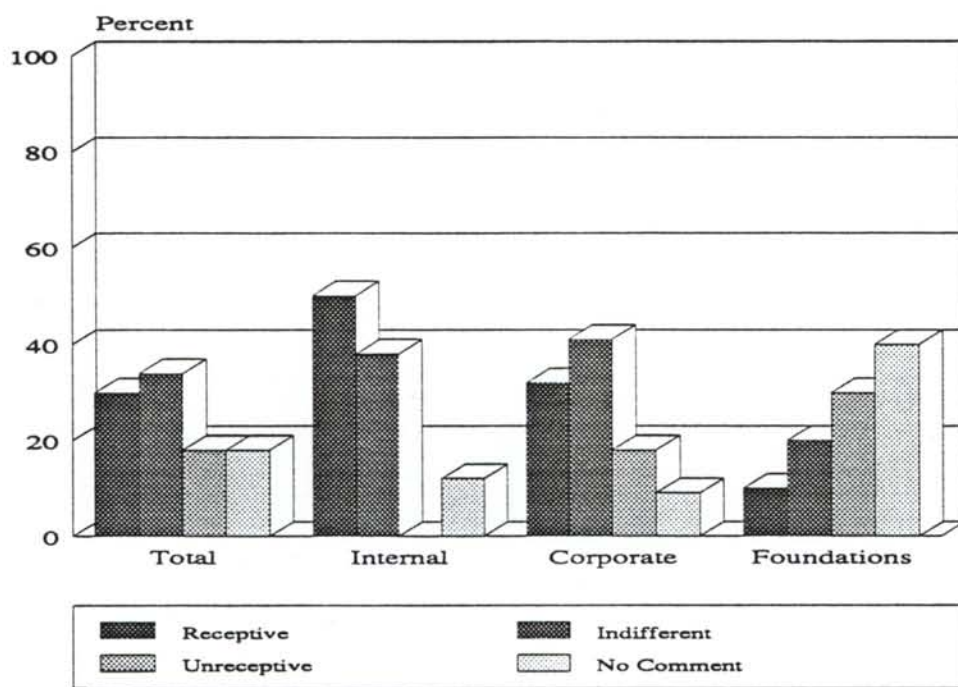
Response to multi-national receptivity was only slightly more optimistic with about one third of interviewees believing that this community would be receptive and nearly 20% feeling it would be unreceptive (Table 4b).

The following trends emerged in this area of the Study:

- A handful of Canadian corporations which have substantial interests in the developing world suggested that working with a Canadian organization like IDRC might be desirable in some instances. Examples cited included situations where a multinational would like to contribute to the welfare of the local community for altruistic or public relations purposes; where there is no local organization better suited to their needs; and where they felt they would benefit from the consistency, trust and/or international ties of a Canadian organization;

Q.

How do you feel the multi-national corporations will respond to the proposed initiative by IDRC?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Receptive	12 (30%)	4 (50%)	7 (32%)	1 (10%)
Indifferent	14 (34%)	3 (38%)	9 (41%)	2 (20%)
Unreceptive	7 (18%)	0 (0%)	4 (18%)	3 (30%)
No Comment	7 (18%)	1 (12%)	2 (9%)	4 (40%)

Table 4b

- Some corporate respondents require sophisticated legal and political frameworks in order to operate effectively in another country. They saw IDRC as contributing to an environment which would foster positive growth both for the company and its shareholders as well as for the country involved;
- A handful of companies saw working with IDRC as a way of contributing to the long term stability of a potentially emerging market;
- The "show me" attitude alluded to earlier, was consistently exhibited in this area of the Study. Corporate respondents in particular felt they are being inundated with requests from the not-for-profit community for funding and partnership. In many cases, they are only now grappling with their role in this regard and they are asking many questions before considering any significant commitments;
- There was general concern that it may be a problem dealing with someone from IDRC who has an academic background since that person would not have a strong enough sense of the business environment.

Giving Intentions of Study Participants

When asked what financial priority their organization would give the proposed revenue diversification programme, it is very significant that only 1 respondent rated a partnership with IDRC as a "high" priority. Slightly over 50% said this initiative would be a "low" priority for their organization (Table 4c). Many said that they would have to know IDRC a lot better before they would consider the Centre a higher priority. Having said that, a number of respondents expressed interest in learning more about the organization.

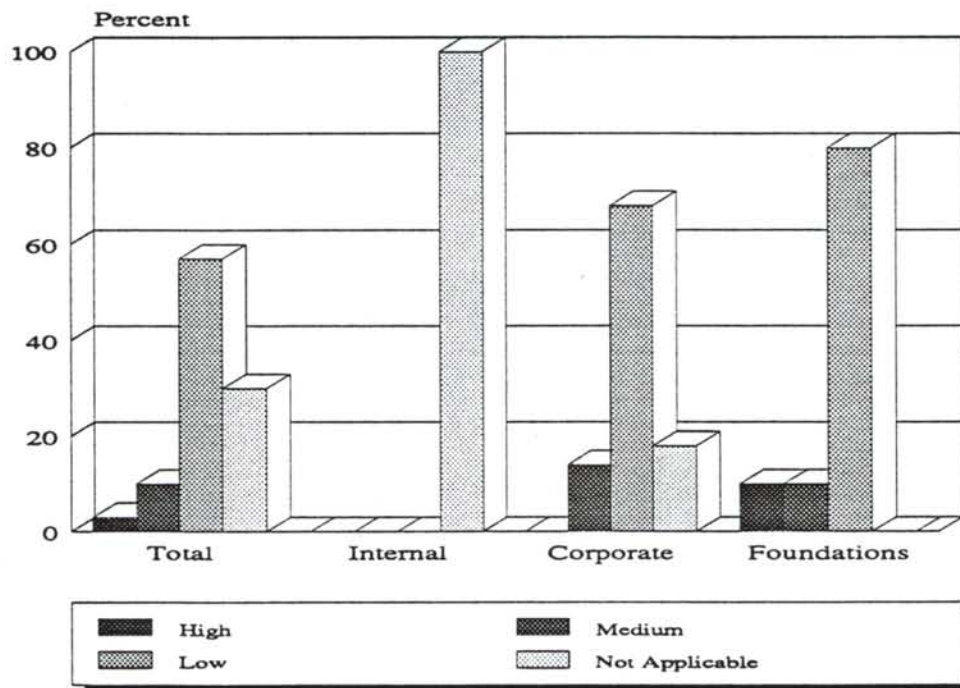
Interviewees were also asked more specifically whether they would consider approving or encouraging a gift or investment from their organization. As Table 4d indicates, there was a clear reluctance to make even this hypothetical commitment. Forty percent of all respondents said they would not authorize or encourage a commitment although nearly 30% said they would or would "perhaps" consider it.

Interviewees who indicated the proposed initiative would be a "low" priority for them or that they would not authorize or encourage a gift or an investment cited the following reasons:

- They would require much more information and would rather discuss a proposal for specific projects before they could make a realistic assessment;

Q.

What financial priority will your organization place on IDRC's revenue diversification initiative?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
High	1 (3%)	0 (0%)	0 (0%)	1 (10%)
Medium	4 (10%)	0 (0%)	3 (14%)	1 (10%)
Low	23 (57%)	0 (0%)	15 (68%)	8 (80%)
Not Applicable	12 (30%)	8 (100%)	4 (18%)	0 (0%)

Table 4c

- Their organization has little affinity with or knowledge of IDRC;
- Their organization is receiving too many other requests for the support of projects offering more tangible benefits for themselves and the community;
- A perception that IDRC is already well-funded by government;
- A perception that organizations associated with government are “mis-managed” and that additional funding will only serve to increase spending and not initiate substantial change;
- A perception that IDRC is overextended and not well focussed;
- A feeling that their corporate culture will not fit with IDRC’s “government” culture;
- A feeling of caution about moving into the markets of an emerging nation and/or a feeling that there is no direct “payback” for their company;
- A perception by some that an organization which has the potential to entertain a business arrangement is not a charity and not in need of assistance;
- A perception by some of the inappropriateness of IDRC, as a granting organization, moving to the other side of the table and becoming what some termed a “supplicant”.

Although there was a reluctance to discuss contributions toward endowments or toward IDRC core funding, some respondents were willing to consider a business or philanthropic involvement on a project-by-project basis. Among those who indicated an interest in supporting IDRC, most respondents were reluctant to comment on their likely level of contribution. They generally indicated that it would be impossible to estimate any range of investment or contribution before they have learned more about IDRC and assessed the merits of a particular proposal.

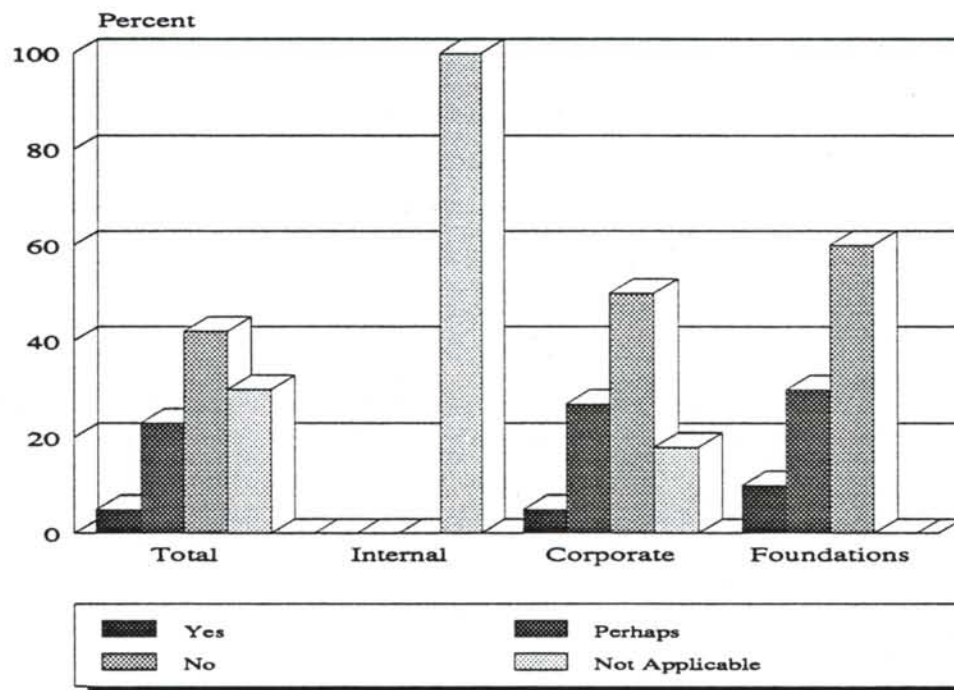
Some representative comments include:

“It is possible we might turn to an agency that specializes in development. It’s Canadian and we’re Canadian. We might feel we could rely on it more. It might be readily accessible in Canada and on site. (Chile) We might also have more faith that we’ll be dealt with squarely. Our questions would be; is this the best possible advice? Is it padded with too many staff? The market does have a tendency to make things lean and results-driven.”

“If we move into a country we look for a partner on the ground who can make the proper

Q.

Would you consider authorizing or encouraging an investment or gift from your organization?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	2 (5%)	0 (0%)	1 (5%)	1 (10%)
Perhaps	9 (23%)	0 (0%)	6 (27%)	3 (30%)
No	17 (42%)	0 (0%)	11 (50%)	6 (60%)
Not Applicable	12 (30%)	8 (100%)	4 (18%)	0 (0%)

Table 4d

introductions. We have the expertise in our business but we might need advice on the culture and the people."

"I'm receptive but with two major reservations; 1) difficulty in marketing services; 2) my preference for direct investment rather than using a third party."

"We would be modestly receptive. We're always interested in growing local enterprise."

"We would give for improving technologies for things like water management. We would never become involved in the political side of it."

"I think it's an excellent concept for an organization. We're looking at sophisticated products and services, so developing a science and technology culture in the Third World is a great thing for us."

"It depends on the project but we'd probably donate about \$5,000 every year for 4 years. We donate to education because we're big users of educated people."

"We fund Third World projects in agricultural development, water supplies, health and education so we might only be interested in funding projects but not in contributing to endowments or core costs."

"We already have hugely developed resources to go into new markets. The company has made global expansion a pillar of its strategy. IDRC must research a niche and come to us with a proposal for a project."

"We grow our own in the developing world with small distributorships and other direct mechanisms. It would be unusual for us to give money to IDRC for them to distribute in the country."

"This is more likely to be of interest on the business development side, not the donation side."

"If two proposals came in, one for a hospital and one for international funding then the hospital would get more attention. But the way the project is presented would also be a big factor."

"My sense is that IDRC is not living in the real world as far as fund raising is concerned. They have to answer the question, 'What's in it for me?'. They must accurately target select companies and appeal to corporate self interest."

"Our level of investment depends on too many factors. I can't tell right now what it might be."

Q.

What types of alliances would be of most interest when encouraging a link between your organization and IDRC?

	Total	Internal	Corporate	Foundation
Joint Ventures	22	6	12	4
Project Sponsorship	21	5	11	3
Contract Research	18	5	12	1
Philanthropic Giving	13	6	6	1
Equity Position	12	4	6	2
Information and/or Tech. Sharing	9	3	5	1
Formal/Informal Alliances	9	4	3	2
Other	4		4	

Table 4e

"We might be interested in some form of joint venture or project funding. But if so, we would need to consider specific projects and meet the people who would do the work."

"This is a low priority unless there is a specific opportunity for our company."

"It would have to be an exceptional project to distinguish it from what US groups are doing around the world."

"The subject areas (we're interested in) will vary from country to country and project to project. It's very hard to generalize."

"Contract research could be appealing but not charitable contributions. I've got 14 universities that are looking for gifts and the incentive is to work with them so that their professors will be teaching with our needs in mind. That's important, because we hire a lot of their graduates."

"After being ignored by IDRC for so many years, the business community will be sceptical IDRC is after anything but their money."

"There would be a real clash of cultures, between the private sector and this quasi-governmental organization. It would take up too much time and money to bridge it."

"Receptivity depends on what happens with IDRC and the nature of the projects it offers. There is so much fund raising demand right now, I have to believe there will be a saturation point unless something really commanding is presented to firms."

"They should show what the basic financing is, how they've adapted and why they need more money. What are they doing with what they can afford - show the merit of the case."

"I work with several development banks and I think they're all a waste of money. They start with huge headquarters, a huge bureaucracy, and then nobody will take responsibility and make a decision."

"I'd want to see more detail, more on operating costs and where funding is coming from now."

"They need to clarify their role with the Canadian government and with CIDA. We're already paying for these so what's the niche? It seems like layer on layer of service."

"It's hard for us to find a match with the needs of the public sector. We have more current needs. We would go to centres of expertise rather than create them."

Q.

What areas of IDRC's work would most interest your organization?

	Total	Internal	Corporate	Foundation
Information Highway	19	6	10	3
Env/Sustainable Tech.	17	6	7	3
Medical Diagnostic	16	6	7	3
Small Bus. Development	16	8	5	2
Occupational/environmental health	16	6	7	2
Legal/Financial Policy	14	7	6	1
Bio-diversity	11	6	3	2
Production/Mkting	8	7	1	0

Table 4f

"With all the problems in the past, banks are very cautious about the Third World."

"Why should we help people in far off places in ways that are not measurable or clear?"

"We have dramatically decentralized recently. Specific decisions go to different countries. Our local operations know what's best for the area. They might be more receptive."

"We're looking for strength in other markets, for reach. The networking opportunities in India, for example, would be helped by an IDRC network that can pull in the right information and the right people."

"We get involved in other countries in a host of ways by using local partners, involving our own people, getting to know local politicians and the use of other resources."

"What do they do? Have they got focus? What's the synergy between A, B, and C platform? How is this money going to be used? What is your comparative advantage in offering this service?"

"The questions I would ask are: Has this been run on a business basis? Is there accountability with the organization? What are its priorities? What kind of structure and budget does it have? What victories has the organization had? What failures and what did it learn from those failures? What is the reason it must survive? What is its reason for being? Why is it looking for money now?"

"I would look at who's running it; not an academic. That's too much like a university where they spend too much on administration. I would look at who's on the board; for people who are technically competent and tough. I would look at the control the administration has over spending. And I would look at their policies and their focus."

"We're looking for a commercial orientation and credibility. I would suggest they hire somebody to interface with other organizations, not the best academic but someone who understands business. Academics have a different orientation. You need someone who can bridge a language and a culture."

Priority of Projects and Alliances

Respondents were asked to identify the types of alliances or partnerships in which their companies often engaged or in which they could see a potential "fit" with IDRC.

As Table 4e indicates, the most popular of these were contract research, joint ventures and project

sponsorship. However, in almost all cases these answers were given with the strong caveat that each project would be assessed on its own merit and could lead to different types of partnerships. Respondents typically saw these types of alliances as a starting point on the basis of the rather limited information at their disposal.

In terms of the specific projects described in the preliminary Statement of Need, Table 4f shows that the category "Information Highway" was slightly favoured. Many respondents saw that category as being of primary importance in the development of emerging markets and ultimately in enabling many corporations to conduct business more efficiently. Other categories following closely after Information Highway were: Environmental and Sustainable Development, Medical Diagnostic, Occupational and Environmental Health, and Small Business Development.

The following trends emerged:

- Not unexpectedly, most of the subject preferences were tied directly or indirectly into the business or personal interests of the respondent and therefore differed with each individual;
- Respondents clearly saw the necessity of encouraging stability in developing countries for any number of humanitarian reasons but also in order that business could be conducted profitably. Thus, most saw the top categories as providing the most important basis for stability in these markets;
- Respondents generally could not see the connection between creating policy and implementing policy. They generally saw the ability to implement policy as being a function of government and felt they could have little impact on the result;
- There was often a lack of understanding with regard to Bio-diversity. Some respondents were not familiar with the term and others could not see how it might affect their businesses;
- The Production/Marketing category did not generate much enthusiasm because many respondents felt that they could conduct these activities more effectively and with more experience, than IDRC;
- The question of corporate self interest was cited as the main reason for the potential involvement in projects of significant magnitude. Several respondents alluded to the need to justify their actions to company shareholders.

Some representative comments include:

"Medical research ties into our business because we have so many (insurance) claims in that area."

"If you open up the country to technology, they have access to all the other things the world has to offer."

"We need technology to operate effectively. We need good phone systems and the potential for some computer technology."

"We're interested in occupational and environmental health. People should have the right to a clean safe workplace."

"If you have environmental degradation you only have to clean it up later. I'd be interested in looking at more inexpensive ways to clean up."

"Most of our policy work would be done through our (industry) association."

"Policy work is best done by government and academics. We can't have a huge impact there."

"We do have some problems with intellectual property rights. If we could tie into a project that would directly help us with that, we'd be open to it."

"This is bit of flavour of the month isn't it? Why should they be involved in the information highway?"

"What exactly is Bio-diversity?"

"I think we could do a better job than IDRC in the production and marketing area. We don't need much help there."

"Am I interested in the concept? Yes. Do I think we would fund a project for it? No. (bio-diversity)"

"A joint venture or project sponsorship would be most attractive. Information sharing and informal alliances are too loose for us and would likely come to nothing."

"We would do it (joint ventures and project sponsorship) only if it had a business orientation."

"Joint ventures are different country by country. The best way to pursue these arrangements is to

call the local office directly."

"When we conduct a joint venture with someone we look for: An identifiable benefit - which research will help us get; Commonality of goals and senior level commitment to goals; Resource availability; Experience in partnering with other organizations."

Support from Other Countries

Although the Study did not interview a sufficient number of respondents outside Canada to reach any definite conclusions about the potential of foreign constituencies, the select interviews that were conducted clearly indicate the need to begin the cultivation process by broadening IDRC's corporate network.

The countries represented by interviewees in the Study included Brazil, India, Hong Kong, South Africa, United Kingdom, Germany, and the United States. A full list of selected and actual interviewees can be found in *Appendix A* to this report. Those outside Canada who consented to speak to Counsel represented foundations and a handful of corporate respondents. Although a broad range of corporations outside Canada was approached, very few consented to participate in the Study.

Of those respondents who did participate, the following trends emerged:

- Most respondents had not heard of IDRC although they often wanted to know more. A handful automatically assumed that the organization must be of little consequence since it was not already known to them;
- Some had not heard of IDRC, even though the Centre has extensive interests in their countries;
- Several respondents preferred to fund similar organizations at home before turning to a Canada-based organization;
- Some respondents preferred to fund local organizations directly, rather than through an intermediary like IDRC.

Although there is significant potential for cultivation and awareness of IDRC outside Canada, at this time it appears that non-Canadian prospects may not represent the constituency of greatest promise and most immediate success. Once awareness and credibility have been built at the highest levels

within the Canadian corporate community, these successes can be used as the foundation for further cultivation beyond Canada's borders.

Some representative comments include:

"It depends on how you tie the strings. Almost anything can be done." (Brazil)

"What IDRC must now do is to become more widely known internationally." (Britain)

"We have never heard of them. Are they very big?" (Britain)

"We see ourselves (Germans) as global players and fully involved in joint ventures in Europe and the world but not with an organization like IDRC. We would be involved in more direct, market oriented ways."

"In Germany, people believe this is the government's job, to help the Third World, and further that the taxes we pay are so high that government should do the job."

"It's likely support will come from people with Canadian links. Those, for example, who went to school in Canada." (United States)

"In South Africa people do not like to sit alone as a donor; they would rather join a pool of donors giving similar amounts as in, for example, the Joint Education Trust."

"The tax relief that one can get from philanthropic donations is minimal - there is no incentive there." (Germany)

"Our foundations would be very receptive to project work. For example, we once adopted a full village and improved conditions there." (India)

"We would fund something aimed at development as long as it stayed in Brazil."

"Government funding is a problem if you want to raise money here." (United States)

"There are other institutions which are not funded by government which would probably raise dollars more easily." (United States)

"We have our own institutions for these purposes but we might be interested if there was a place where it was difficult to be an American and we could go in with a Canadian partner."

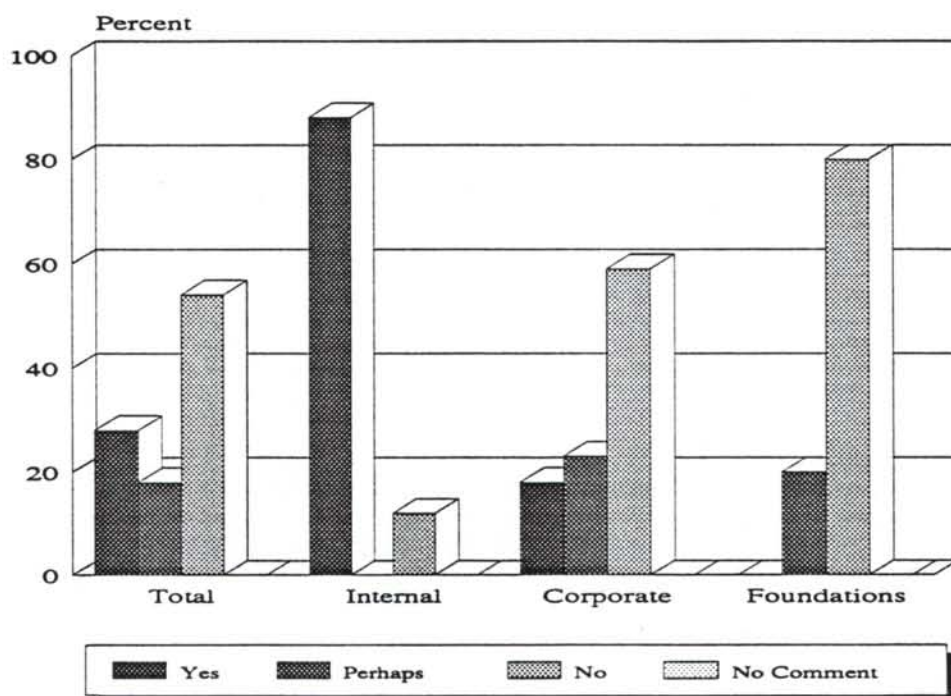
“There are two reasons to give in Germany. 1) The company is concerned about an idealistic or philanthropic idea; 2) The company is looking toward sponsorship to make its image better.

“Asia will continue to grow dramatically. There is lots of money from individuals and wealthy families but it is sometimes very difficult to access.” (Hong Kong)

Availability of Volunteers

Q.

Would you consider accepting a volunteer position to help IDRC's revenue diversification initiative?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	11 (28%)*	7 (88%)	4 (18%)	0 (0%)
Perhaps	7 (18%)*	0 (0%)	5 (23%)	2 (20%)
No	22 (54%)	1 (12%)	13 (59%)	8 (80%)
No Comment	0 (0%)	0 (0%)	0 (0%)	0 (0%)

* NPR 25%

Table 5

Availability of Volunteers

One of the most important criteria for assessing the prospects for this initiative is the potential for recruiting top-flight volunteers. Accordingly, all interviewees were asked if they would consider devoting a portion of their time to work in a volunteer capacity on the revenue diversification programmes of the International Development Research Centre.

They were also asked to identify other influential individuals who should be considered as candidates who would work in the same capacity. A list of the individuals who were suggested by interviewees will be provided to IDRC under separate cover.

Availability of Volunteers

As the results in Table 5 indicate, slightly more than 45% of all respondents indicated that they would or would “perhaps” consider working on behalf of IDRC. This result exceeds the NPR for this question and is cause for optimism. However, the detailed data from the Study indicates that IDRC will still need to work hard to recruit a strong nucleus of external individuals to assist in the implementation of the revenue diversification initiatives.

It is encouraging to note that almost all of internal respondents indicated a willingness to consider or “perhaps” consider assisting the programme. This commitment of internal opinion leaders will send a vital signal to outside constituencies and will be important to the success of the initiative. By taking the time to cultivate internal opinion leaders and assemble a project-focussed case for support which addresses the concerns of the internal “family”, IDRC has the clear potential to increase the number of external supporters who will to play an important role in the future of the organization.

The response of external interviewees was less positive, with only one in ten indicating they would work or would “perhaps” work for the proposed initiative. Several interviewees said they might participate in the proposed initiative once they know more about the Centre and specific projects under consideration. It is clear that IDRC will have to build its case for support and undertake intensive cultivation in order to attract the top-level team necessary for success in any revenue diversification programme.

Respondents who were hesitant about volunteering their time on behalf of IDRC typically gave the following reasons for their response:

- A lack of affinity to IDRC;

- A concern about the perceived “bureaucracy” of IDRC;
- Commitments to work with other organizations;
- A personal lack of interest in issues pertaining to development;

In the case of some respondents it was clear that these hurdles are not insurmountable and may be overcome through an intensive, highly targeted cultivation process.

Some representative comments include:

“I know Maurice Strong. He has good visibility and is well respected. He would make an excellent leader.”

“Their board will be both a strength and a weakness. There is a danger that people will say ‘yes’ to them because of who they are. There will be happy feelings all around but there will be no follow-up and no results.”

“They’ve got to reexamine their mission and the composition of the Board. It should include a much stronger private sector component.”

“In an organization as large as this I would be worried about the impact I could make. I might end up being just one small cog. The people I know would want to be able to make an impact.”

“The concept of volunteer campaign leadership is unknown in Germany.”

“I’m involved in things a little closer to home. This is simply too remote.”

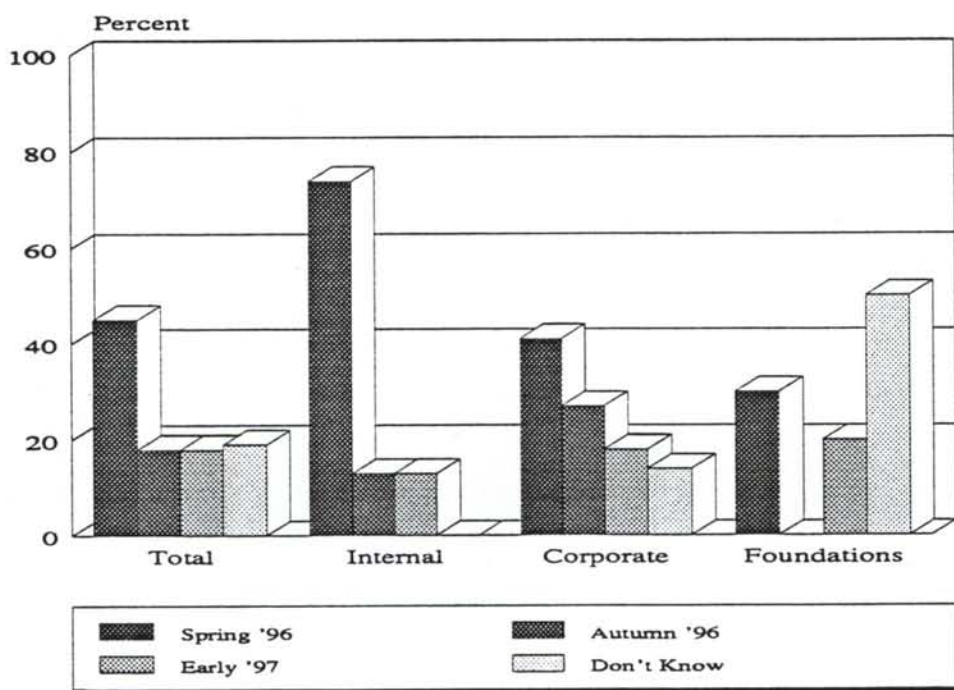
“I have no time and, besides I am moved about every two years so I might not be able to make a commitment to you anyway.”

“The success of this is going to depend on the commitment of some private sector ‘heavy hitters’.”

Timing of the Funding Programme

Q.

What is your opinion of the prospective timing of a campaign with a public launch in Spring or Fall 1996, or Early 1997?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Spring 96	18 (45%)	6 (74%)	9 (41%)	3 (30%)
Autumn 96	7 (18%)	1 (13%)	6 (27%)	0 (0%)
Early 97	7 (18%)	1 (13%)	4 (18%)	2 (20%)
Dont Know	8 (19%)	0 (0%)	3 (14%)	5 (50%)

Table 6a

Timing of the Funding Programme

Interviewees were asked their opinion of the timing of a prospective four year fund raising programme with intensive planning and organization through 1995/96 to a public kickoff in early 1996, late 1996 or early 1997. They were asked about the possibility of success over a compressed two year (as opposed to four year) timetable. Finally, they were asked to consider the economic outlook for the coming months/year and they were asked to identify other organizations they would consider as funding competitors of IDRC in the foreseeable future.

Timing of the Programme Kickoff

The results in Table 6a indicate that only 45% of interviewees felt a fund raising programme should begin in the Spring of 1996. Although some respondents felt that IDRC's need was urgent, key informed interviewees felt that the Centre is not ready to proceed with a revenue diversification programme without an introductory period of intensive image building and major donor/partner/volunteer cultivation. These respondents felt that while programme preparations should begin immediately, the campaign should not be publicly launched until 1997 or beyond. Moreover, numerous respondents believed that, before launching a general campaign, IDRC must first establish a solid foundation by identifying projects with potential for revenue generation, recruiting a small nucleus of corporate partners, and creating some early successes on which the Centre can build.

Some representative comments include:

"Do it in '96 before we head back into recession."

"Whenever they start they'll have to make sure it works or it will be more difficult next time."

"They'll need some early successes."

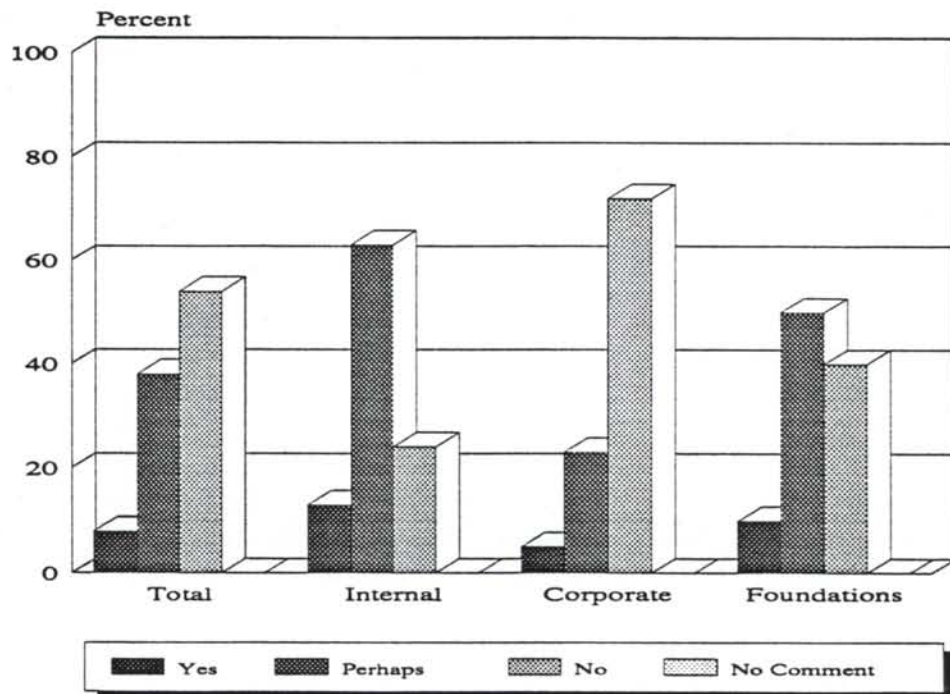
"If IDRC goes into this later rather than sooner, they'll have time to raise their profile a bit."

"They won't be nearly ready to launch next Spring."

"This will require a long period of preparation and cultivation."

Q.

Do you feel that the objective is attainable
in two years rather than four?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Yes	3 (8%)	1 (13%)	1 (5%)	1 (10%)
Perhaps	15 (38%)	5 (63%)	5 (23%)	5 (50%)
No	22 (54%)	2 (24%)	16 (72%)	4 (40%)
No Comment	0 (0%)	0 (0%)	0 (0%)	0 (0%)

Table 6b

Potential for a Two Year Initiative

Respondents were asked if they thought the goal could be achieved in two years on a global basis, instead of the initially discussed four year timetable.

As indicated by Table 6b, slightly more than one half of respondents felt that it could not be done. Many noted that IDRC is moving from a standing start and must lay substantial groundwork before overcoming what could be a daunting challenge. Respondents who were optimistic about achieving the goal over two years tended to have experience with American schools which often raise substantial sums. However, these respondents always qualified their answers by citing the presence of wealthy alumni and a long history of fundraising as key factors in success.

Some representative comments include:

"Well, as I say, schools down here (United States) already do that but they've been fund raising for some years and they didn't start out that way."

"There should be that kind of money around the globe."

"I don't see why not. My old college just raised that much."

"If you are doing it with revenue generating projects you can raise that with no problem. It just depends on the project."

"Do you mean \$US50 million raised each year for two years? That's very ambitious".

"No, it most definitely wouldn't work."

"I think such an endeavour might fail."

"Even 4 years is optimistic."

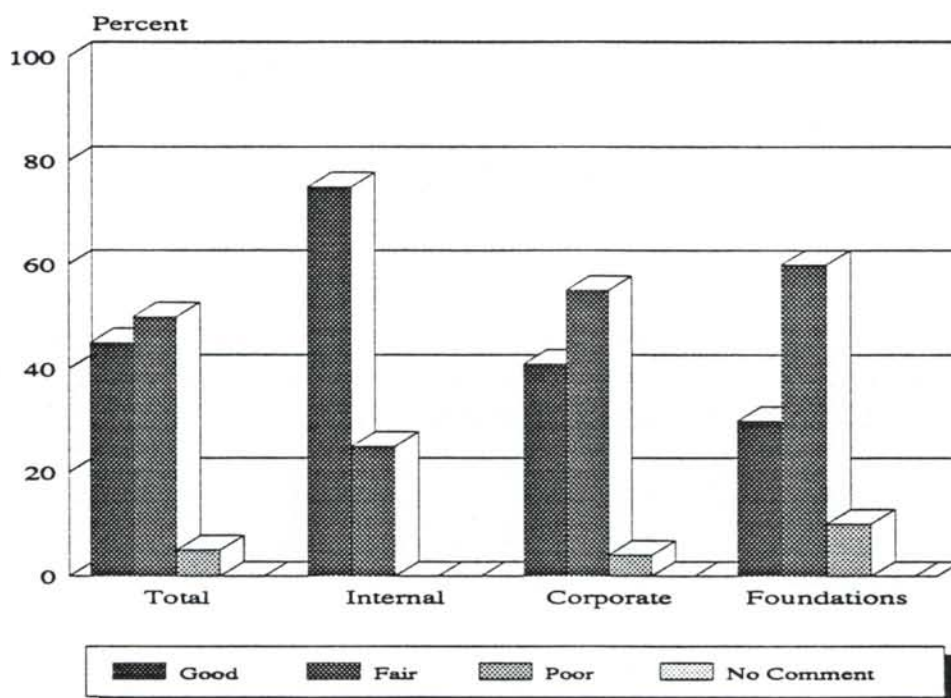
"I think it will take longer than 4 years, let alone 2 years."

Economic Outlook

As the results in Table 6c indicate, Study participants were relatively optimistic when asked about the economic outlook for their region for the coming year, with 95% indicating the economic

Q.

How do you perceive the economic outlook
in your region for the coming months/year?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Good	18 (45%)	6 (75%)	9 (41%)	3 (30%)
Fair	20 (50%)	2 (25%)	12 (55%)	6 (60%)
Poor	2 (5%)	0 (0%)	1 (4%)	1 (10%)
No Comment	0 (0%)	0 (0%)	0 (0%)	0 (0%)

Table 6c

outlook is “good” or “fair”. Reactions regarding the impact of the economy on IDRC’s revenue diversification initiative were mixed, with most respondents feeling that the economy would have little or no impact, or would actually help the initiative (Table 6d).

Some representative comments include:

“The economy looks reasonably good and may boost this effort.”

“This project is going to take quite a while and the economy will ebb and flow.”

“The economy won’t make much difference.”

Competitors to IDRC

Respondents were asked whom they might consider as funding competitors of IDRC in the foreseeable future. They responded primarily with other aid organizations currently working in the developing world. CIDA and USAID were mentioned most often.

The following organizations were identified by respondents as possible competitors of IDRC from the viewpoint of funding and/or programming competition:

CIDA

USAID

Cansave

UN High Commission for Refugees

Red Cross

United Nations

World Bank

Asia Development Bank

Regional Development Banks

North-South Institute

CUSO

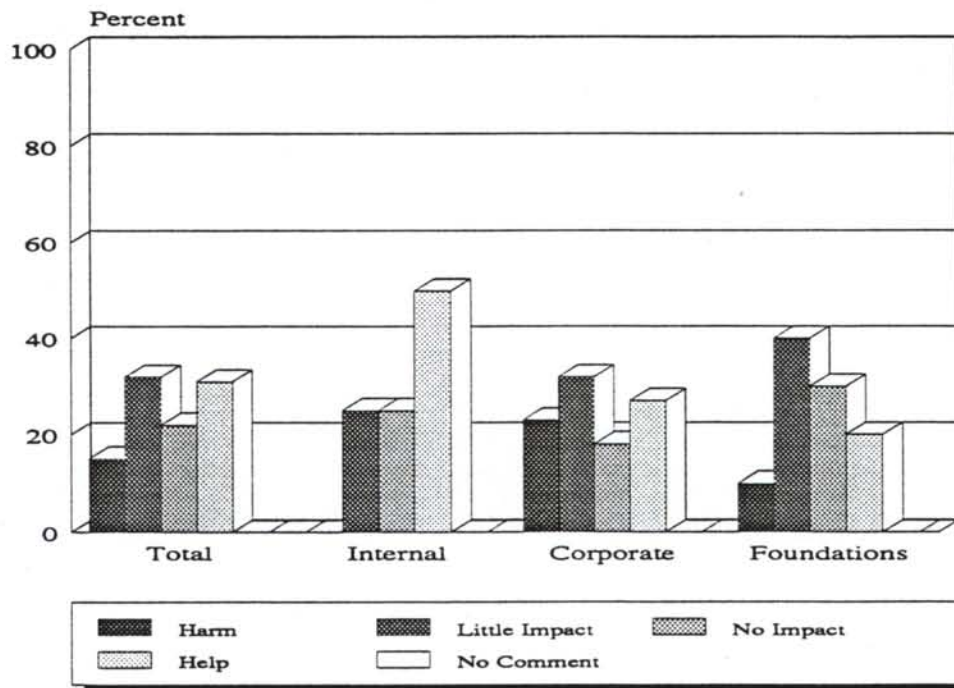
Sainsbury Trusts

Some representative comments include:

“I suppose to a small extent trusts like ourselves who fund work in the Third World. Sainsbury Trusts are active in East Africa: Uganda, Tanzania, Zambia etc.”

Q.

How do you feel the economy will affect
IDRC's revenue diversification initiative?



	Total	Internal	Corporate	Foundations
Sample Size	40 (100%)	8 (100%)	22 (100%)	10 (100%)
Harm	6 (15%)	0 (0%)	5 (23%)	1 (10%)
Little Impact	13 (32%)	2 (25%)	7 (32%)	4 (40%)
No Impact	9 (22%)	2 (25%)	4 (18%)	3 (30%)
Help	12 (31%)	4 (50%)	6 (27%)	2 (20%)
No Comment	0 (0%)	0 (0%)	0 (0%)	0 (0%)

Table 6d

“USAID funds over 2000 agencies which are potential competitors because USAID funding is being cut. On the global scene, most agencies are having the same problems.”

“To some degree every not-for-profit organization is a competitor for funding. Domestic institutions such as universities and hospitals are putting significant pressure on our donation and sponsorship budgets.”

Observations and Recommendations

Observations and Recommendations

The following observations and recommendations are based on Ketchum's evaluation of the data derived from the Planning Study interviews as well as the historical and other background information received from the International Development Research Centre. These recommendations are also based on the general experience of Ketchum in fund raising and the firm's perception of current trends and patterns in constituencies of interest to IDRC.

Acknowledgement of Study Participants

The International Development Research Centre should prepare a follow-up letter to all participants in the Planning Study thanking them for their participation, providing a brief sketch of the findings of this report, and charting the course ahead. Given that IDRC would like to increase and strengthen its contacts with the corporate world, a similar follow-up letter to all those who declined to participate in the study is advised.

The Revenue Diversification Committee

IDRC senior management should take immediate steps to recruit a Revenue Diversification Committee composed of senior IDRC staff and senior volunteers to oversee the initiatives recommended in this report. These individuals will act as advisors to the President and the Board of Governors regarding the strategy and implementation of the revenue diversification programme; act as champions for IDRC within the corporate and philanthropic world; and identify and liaise with specific companies, foundations and other entities with which IDRC might develop partnerships.

It is imperative that the members of this committee be recruited from the highest levels of IDRC and the private sector. In the first instance this committee should be primarily comprised of senior Canadians. As the initiative evolves, this committee should be expanded to include an international membership representing those global jurisdictions of greatest promise in the revenue diversification programme.

The Revenue Diversification Committee Chair should be a person of status and influence, capable of attracting prominent leaders to the cause of the Centre. The Chair must be committed to the case for support and must understand the importance of IDRC's mandate and its broad range of activities around the world. It is essential that the Chair have strong, personal links with a variety of corporate leaders, and that he or she have the capability to bring considerable personal influence to bear within

the international as well as the Canadian corporate community. In sum, the Chair must possess considerable ‘clout’ which he or she must be prepared to use on behalf of the International Development Research Centre.

As for the remaining members of the Revenue Diversification Committee, special attention should be paid to the enlistment of emerging leaders who will be the decision-makers of tomorrow. Ideally, those volunteers identified now should yield future leaders for IDRC, who will assume responsibility for assisting the Centre with its funding activities far into the future.

Aside from honorary positions, the Revenue Diversification Committee should be composed only of those who are prepared to assume an active role in the most important activities of the initiative, relying on the day-to-day support of the responsible IDRC staff.

Case for Support

The Centre should prepare a case for support for IDRC in the form of an “investment prospectus” designed to attract support for the revenue diversification programmes of the Centre. The case for IDRC should make every reasonable effort to respond to the criteria which major corporations and foundations are increasingly utilizing to determine their support for various competing causes and business opportunities. In the case of IDRC, potential supporters will look for:

- Evidence of IDRC’s strong and positive image, its unique impact in Canada and internationally, and its strong history of successful projects and partnerships;
- Evidence of IDRC’s careful and comprehensive strategic planning and market analysis;
- Evidence of support from the leadership of the Centre and those closest to the Centre;
- Evidence of the endorsement of national and international opinion leaders and current partners;
- A detailed and convincing description of priority project opportunities and their relation to the goals and objectives of IDRC, the recipient communities, and potential partners;
- A description of tangible benefits to IDRC, the recipient communities, potential partners and, in some cases, to Canada;
- A qualitative and quantitative description of specific benefits, which is responsive to the

interests of potential partners;

- Creativity and uniqueness;
- Urgency.

In the foregoing “investment prospectus”, the Centre must address the findings of this Study and must be prepared to answer the “tough questions” which prospective partners and volunteers will ask. Some of these questions should be addressed directly in the case for support, while others should be anticipated and answered in complementary meetings and other communications, as required:

- What are the Centre’s current programmes and activities? Who benefits from these programmes? What are the tangible benefits?
- What is the Centre’s “vision” for the future? What are its long-term strategic objectives? How will the current programmatic priorities and the proposed revenue diversification initiative further these plans?
- What is the budget and business plan of the Centre? Is the Centre moving towards self-sufficiency? Why should the private sector take over now that government funding is declining?
- Why doesn't IDRC "make do" with less by narrowing its mandate and rationalizing its operations? How can prospective partners be assured that the Centre will use their money efficiently and effectively? How can they be assured that the funds will not be tied up in an ineffective bureaucracy?
- Why should philanthropic donors support the Centre's initiatives, as opposed to other worthy organizations working to implement change in developing nations? What are IDRC’s “competitive advantages” in the international development field? Why should prospective donors give to the Centre instead of giving directly to organizations in developing nations themselves?
- What demonstrable benefits can IDRC offer its business partners which they cannot obtain more effectively from other sources? How will involvement with the Centre tangibly benefit those business partners and how can they justify to their shareholders such investments of time, energy, financial support and other resources? Ultimately what is the “return on investment” for such partnership activity?

- What is the difference between CIDA, Canada's network of Trade Commissioners and Embassies, and IDRC? Why should taxpayers support all three? What steps is IDRC taking to ensure that its programmes do not duplicate those of other organizations? To what degree does IDRC collaborate with other organizations in the international development sector?
- Why is this funding urgently needed? How will it tangibly enhance the ability of emerging markets to compete? How will these emerging markets affect Canadian business? How will they change the way the international corporate community does business in the short term and in the longer term?
- How is the Centre prepared to recognize the contributions and investments of corporate and philanthropic partners?
- How did the Centre identify the priority needs highlighted in the case for support? Do the proposed initiatives have the full endorsement of key IDRC opinion leaders and other influencers and stakeholders in Canada, the recipient country, and the international development community? Do these needs represent the most urgent and compelling needs of developing nations or simply those of IDRC?
- What tangible benefits will result from each of these programmes? What assurances can IDRC provide to satisfy donors and partners that these benefits will materialize? What evaluation mechanisms have been established and what is the accountability of IDRC with regard to the delivery of these benefits?
- In challenging members of the corporate community to participate at their full capacity, are the closest supporters of IDRC prepared to "lead the way"?
- Precisely what are the charitable opportunities available to the philanthropic partners of IDRC? (cash contributions pledged over time, gifts-in-kind of contributed expertise or equipment, cause related support, project sponsorships etc.)
- Precisely what are the commercial opportunities available to the business partners of IDRC? (Contract research, joint ventures, equity investment, etc.)

The objectives, projects and opportunities set forth in the case for support must be unequivocally embraced by opinion leaders of IDRC, its Steering Committees and its Board of Governors. This will ensure a strong and united signal of support to the internal and external constituencies of the organization.

Once completed, the case for support must be promoted through a variety of vehicles which will communicate the urgency and worthiness of IDRC's programmes to the Centre's different constituencies. The communications materials for the revenue diversification initiative should ultimately include an "investment prospectus" brochure as well as an audio-visual presentation and supplementary materials highlighting different projects and targeting different constituencies.

Although the case for support may communicate the needs and opportunities of the Centre in general terms, IDRC must be prepared to package these in highly-customized proposals which target the specific interests and preferences of prospective partners. Although some supporters may participate simply because they want to help the developing world, the study findings indicate that most will invest in highly specific projects for business related as well as altruistic reasons.

Public Relations Programme

A major and anticipated finding of this Study is the extent to which IDRC is unknown in the corporate and, to a lesser degree, the foundation world. The Centre should therefore undertake an energetic public relations programme aimed in its early stages at the Canadian business and foundation communities.

The desired outcome of the public relations programme rests on the creation of general awareness of IDRC's mission and its activities across the globe. As a result of this programme, individuals who are more specifically approached by IDRC will have already heard of the Centre, will understand the importance of its work, and will wish to further it in some way.

In this general public relations programme, IDRC should focus on messages such as:

- the mission of the organization, the breadth of its services, and the tangible impact of its work around the world;
- dramatic successes in individual projects like the Goldfinger banana;
- positive benefits for Canadian business and for Canada generally;
- the endorsement of IDRC by Canadian notables and other opinion leaders and officials across the world;
- IDRC's leaner, more entrepreneurial approach to its domestic operation and its development activities abroad;

- IDRC's vast network of expert international connections;
- the variety of partnership arrangements which IDRC has concluded in the past and is interested in pursuing in the future.

The key components underlying any effective communications campaign are credibility, reach and repetition. In general terms, the public relations strategy for IDRC should employ print and select electronic media to reach Canadian and international opinion leaders, particularly in business, government and targeted philanthropic circles.

Cultivation Programme

The foregoing “shotgun” public relations programme should be complemented by a highly targeted “rifle shot” cultivation programme designed to influence key individuals who will be instrumental to the ultimate success of IDRC’s revenue diversification plans.

A comprehensive Cultivation Plan should be prepared to guide the intensive, narrowly-targeted cultivation activities of the Centre over the next 12 months. The programme should identify:

- Key individuals (e.g. high-level opinion leaders in government, select media, senior corporate leaders, senior philanthropic leaders, and other senior volunteers and influential friends of IDRC);
- Key messages (targeted public relations messages described in the case for support which should be customized to appeal to the interests of each of the foregoing individuals);
- Key communications vehicles (e.g. the case for support, other highly-targeted information pieces, small group meetings and tours of IDRC facilities/projects, one-on-one consultations with senior IDRC officials etc.);
- A highly choreographed programme of activity with clearly defined objectives, task assignments, resources, timelines and feedback mechanisms to ensure broad participation and tangible results.

Small meetings in the cultivation programme will provide the Centre with an opportunity to communicate its most compelling messages in a highly customized and personalized manner. These meetings will also enable the Centre to receive advice and feedback from key influencers on the mission of the organization, the priorities identified in the case for support, and the conduct of the

revenue diversification programme. Although these meetings should involve broad discussions of the revenue diversification initiatives, participants should not be solicited or asked to join the cause at this early stage.

Particular emphasis should be placed on cultivating the support of companies and senior individuals with which IDRC has worked in the past. In essence, the Centre should “run to its strengths” in the earliest stages of the Cultivation Programme by approaching Canadian friends and individuals with prior linkages to the organization and its work. After the solidification of this nucleus, the Centre could identify more remote targets in Canada and beyond, who should have or could have an interest in supporting IDRC in the future.

The Centre should recruit a Cultivation Programme Chair and a small Cultivation Programme Committee from among key IDRC senior staff and supporters to spearhead these targeted activities across the country and beyond. The Cultivation Chair should be a person with a high degree of credibility among corporations and other key influencers and stakeholders. He or she must also have a strong sense of the organization’s “vision”, its strengths and potential and the importance of its revenue diversification plans.

Prospect Identification

In conjunction with the Public Relations and the Cultivation programmes noted earlier, the Centre should undertake comprehensive and intensive prospect research in order to update information on its current and historical friends and supporters. The “Friends of IDRC” initiative will be particularly helpful in this regard. Research already compiled about past Governors, past Programme Directors, past friends and advocates, past contributors and others who have been associated with IDRC will be extremely helpful.

The Centre must also compile data on prospective new investors and donors by researching the major corporations, foundations, organizations, and individual benefactors whom the organization could realistically approach as potential partners in an IDRC revenue diversification initiative. This Study has only scratched surface potential in this regard. The pool of donor and investor prospects must be significantly enlarged through the use of intensive “brain storming sessions” with IDRC Governors, senior officials, and influential friends in Canada and in the jurisdictions of greatest promise (in terms of donor/investor support) across the world. Once these prospects have been identified the Centre must undertake further research to produce detailed background information about the prospects and their possible linkages to IDRC and its work in the international development field.

At a minimum, the research programme should focus on obtaining the following information on each major *commercial* prospect:

- annual reports and related public relations and/or financial information;
- descriptions of key products and services, markets, core business activities and any recent initiatives;
- overview of business activity in countries or regions benefiting from IDRC projects;
- information regarding the prospect's commitment to and activities in subject areas relating directly or indirectly to international development;
- names of key contacts (Board members, senior officers, regional directors etc.) and any previous relationship with IDRC or the Centre's network;

At a minimum, the research programme should focus on obtaining the following information on each major *philanthropic* prospect which, in the case of select corporations, will likely overlap with the above information on commercial prospects:

- description of known philanthropic interests and donations policies;
- record of charitable giving and sponsorships, especially to causes which may be directly or indirectly related to projects similar to those undertaken by IDRC;
- particulars of the grant application process;
- names of key contacts (Board members, senior officers, foundation secretaries, corporate donations officers, etc.) and any previous relationship with IDRC or the Centre's network.

Prospect Solicitation

Philanthropic and/or business opportunities should be marketed through creative and highly customized proposals which carefully match the individual interests of all major prospects. Proposals should rely heavily on the foregoing research and the additional intelligence acquired through IDRC outreach activities such as the Cultivation Programme.

During the first year of the programme, IDRC should identify a nucleus (perhaps a dozen for the

International Committee and 8-10 for each regional committee) of the most promising prospects and attempt to obtain funding support in the form(s) most attractive to IDRC and these prospects. The identification, research, evaluation, cultivation, and solicitation of these “nucleus prospects” must be undertaken in the most customized fashion. Each prospect will require a “campaign” in itself, involving highly customized messages delivered by carefully selected and carefully trained IDRC officials and senior volunteers who have the capacity to leverage and negotiate funding support at the highest levels.

If successful, the approaches to the foregoing “nucleus prospects” should represent attractive “demonstration projects” which will validate the potential of IDRC to identify and tap into new sources of funding support in the future.

All of the activities in the initial stages of the programme should target only the most promising constituencies and prospects. IDRC must run to its strengths in this regard and it is the opinion of Counsel that multinational organizations based in Canada represent the most immediate constituency of greatest promise. Beyond Canada, IDRC could involve its most capable and motivated officials in identifying, researching, and cultivating relationships with the strongest prospects in the most promising countries and constituencies. In view of the immediacy of the need and the challenges of finite resources and almost unlimited geography, the targeting of IDRC efforts will be crucial to success.

The Financial Goal

It is the view of Counsel that the data from this Planning Study is too fragmentary and inconclusive to support any recommendation of a specific financial goal for the IDRC’s revenue diversification initiative. We recommend that the Centre should not set a financial goal until after the enlistment of the Revenue Diversification Committee, the implementation of intensive prospect research, and the completion of the first 9-10 months of the Prospect Cultivation Programme. At that time, it may be possible to establish at least a preliminary financial goal for the funding initiative, having regard to factors such as:

- the influence, “reach,” and commitment of the Revenue Diversification Committee;
- the results of introductory prospect research;
- the response of key prospects to the Cultivation Programme;
- the results of key solicitations undertaken toward the end of the Cultivation Programme;

- reasonable expectations regarding the increased levels of support which may materialize from targeted prospects after the intensive cultivation, evaluation, and personal solicitation which will occur in the later phases of the initiative.

The final determination of the financial goal should not be made until the completion of volunteer enlistment, the conclusion of the research and evaluation of the most important prospects, and the successful solicitation of a nucleus of pacesetting gifts or investments at or near evaluation levels. IDRC must achieve success in each of these activities before finalizing the financial goal.

In view of IDRC's lack of fund raising history, the complexity of the case for support, the number of available commercial and philanthropic funding options, and the imponderables of international fund raising, any financial objective ultimately established by IDRC should be viewed as a "floor" for the initiative and not as a limiting factor. Although certain time lines and other objectives must be established and observed, this revenue diversification initiative will resemble an ongoing major gift/investment program more than a traditional capital campaign with a defined financial goal, kickoff date, and victory celebration. The employment of the methodology recommended in this Report will empower IDRC to compete in the philanthropic and investment marketplace on an *ongoing* basis. It is clear that the true funding potential of the revenue diversification initiative will not become clear until well after the commencement of the programme.

Internal Infrastructure Development

IDRC must survey the capacities and abilities of its senior management, regional directors and coordinators, and front-line staff to pursue commercial and philanthropic opportunities in the context of this revenue diversification programme.

After this initial survey, IDRC should undertake a comprehensive programme of training and development designed to strengthen the capacity of appropriate staff to undertake key activities such as:

- the analysis of the commercial and philanthropic environment in Canada and beyond;
- the identification and evaluation of key commercial and philanthropic prospects with a potential interest in IDRC;
- the comprehensive researching of commercial and philanthropic prospects in key constituencies in Canada and beyond;

- the preparation and use of the case for support and other key marketing materials;
- the preparation of clear and compelling funding proposals, grant applications and commercial partnerships;
- the identification, enlistment, training, and support of senior volunteers;
- the strategic assignment and support of appropriate staff and volunteers to undertake the customized solicitation of key prospects
- the follow-up, recognition, and stewardship of key prospects and volunteers to ensure strong relationship building for future IDRC considerations.

The minimum resource allocation for this programme in the first year should include:

- one full-time general coordinator;
- two full-time research officers;
- one full-time communications officer;
- the part-time participation of appropriate senior officers and select regional directors and coordinators of IDRC (depending on the interest, experience, aptitude, time availability, and the funding potential of their particular “marketplace”).

Timing

If IDRC elects to proceed with the recommendations provided by this Study, the following schedule should be considered:

Phase I (January 1996 to December 1996)

- Enlist Revenue Diversification Committee;
- Strengthen IDRC infrastructure by offering training in the identification and pursuit of business partnerships and philanthropic opportunities;
- Prepare the case for support;

- Undertake targeted public relations programme;
- Undertake intensive, highly targeted cultivation programme;
- Undertake comprehensive prospect research;
- In the Fall of 1996, identify a nucleus of the most promising prospects;
- Commence the highly customized solicitation of these prospects.

Checkpoint (December 1996)

- Assess the effectiveness of the above activity and prepare plan for Phase II.

Phase II (January 1997 and beyond)

Building on the experience of Phase I, develop a comprehensive funding programme utilizing the trained IDRC staff and volunteers, the comprehensive prospect research, the fully tested case for support, the lessons of the “demonstration projects,” and the good-will generated by the cultivation programme in Phase I. The Phase II funding programme should include carefully defined strategies, methodologies, time lines, financial objectives, and non-financial objectives, and it should identify regular checkpoints for evaluation and course correction.

Long Range Benefits

The International Development Research Centre will obtain many complementary benefits by undertaking the above described programme.

Aside from generating additional private sector revenue, IDRC will raise its profile in the corporate and philanthropic communities; communicate its plans for the future; solidify the cohesiveness of potential partners; attract new, powerful volunteer leadership; substantially broaden its circle of friends and supporters; elevate the sights of partners and benefactors; and strengthen the infrastructure and expertise of staff and volunteers.

The key to the realization of these benefits is the foundation which IDRC will establish over the next year. It will require a steady eye, and one which prefers solid long term benefits over short term “fixes”. Over the past 25 years, this sense of “vision” has been the hallmark of IDRC and it is a tradition which will be critical to the Centre's success in the 25 years to follow.

Acknowledgements

Acknowledgements

It has been a pleasure for Ketchum Canada Inc. to serve the International Development Research Centre in conducting this Planning Study. The interviews were extremely productive and helpful, and we wish to thank the 41 interview participants for their thoughtful responses and suggestions.

We are most grateful to Keith Bezanson, President of IDRC, Lynn Thurston, Special Advisor, and Sylvain Dufour, Special Advisor, for their roles in the preparation of the Statement of Need, the compilation of valuable background information, the identification of interviewees, and their insights and ongoing assistance during the Study. A sincere thank you to Carole Audette-Forgie for her assistance in sending material to prospective interviewees.

We thank the International Development Research Centre for the privilege of conducting this Study and we look forward to discussing the recommendations with you in order to chart the course ahead.

Respectfully,

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Chairman and
Chief Executive Officer

Marnie A. Spears
President and Chief Operating
Officer

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Planning Study Director

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Ketchum Canada Inc.
January 1996

Appendices

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Asia (1)

Mr. Gary Mihaichuk
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Internal

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Board of Governors

Donna Soble-Kaufman
Board of Governors

Jon Grant
Board of Governors

Herb Breau
Board of Governors

Pierre Beemans
Director General, Corporate Affairs and
Initiatives

Randy W. Spence
Regional Director, South Asia
(New Delhi)

Marc Van Ameringen
Regional Director, Southern Africa
(Johannesburg)

Declines

Canada

Maurice Strong (tried but no time)
Atco Ltd.
Alliance Communications Corp.
Alcan Aluminum Limited
Bata Industries
Bombardier
Cott Corporation
Dessau Inc.
Dominion Bridge
Forintek Canada Corp.
Laidlaw Inc.
Lassonde Industries Inc.
Nancy's Very Own Foundation
Quebecor Inc.
Barrick Gold Corporation
Corel
SNC-Lavalin Group Inc.
Power Corp
Dominion Textile

USA

Chiquita
Cray Research
American Home Products
Dole Foods
H.J. Heinz
Hewlett-Packard
Levi-Strauss
Panasonic/Matsushita
Microsoft
Sun Microsystems
AT&T
Citibank
Ernst & Young Foundation
Merrill Lynch Foundation
Chevron
Starbucks Coffee Co.

Sweden

Astra Pharmaceuticals

United Kingdom

Hong Kong Bank/HSBC Holdings PLC
Unilever
Henry Double day Research Association
Catholic Fund for Overseas Development
The Body Shop
The Rotary Foundation
Paul Hamlyn Foundation

South Africa

Gencor

Switzerland

Nestlé

Hong Kong

Hong Kong Telecomm Foundation
Manulife Financial (Hong Kong)

EMPOWERING THE SOUTH - THE IDRC MISSION

Helping others help themselves

In 1970, the Parliament of Canada created an organization that put the powers of science and technology at the service of less developed countries.

The International Development Research Centre (IDRC) was charged with reducing the scientific and technological gap that existed between the richer countries of the North and the poorer countries of the South.

By funding scientific research in Africa, Asia, Latin America and the Caribbean, IDRC has helped thousands of communities in the developing world find their own solutions to their own problems.

IDRC - THE FIRST QUARTER CENTURY

A unique organization

Even before its birth, IDRC captured the imagination of the development community. The World Bank, leading universities and foundations, government departments in Britain, France and the United States, etc, all recognized the need for a global institution that would enable Southern researchers to undertake the research necessary for their continued development.

Built-in flexibility

To meet the challenges of this vision, a uniquely Canadian solution was mandated. Parliament gave the IDRC a special autonomy to allow it to operate outside official foreign policy restrictions. This flexibility has enabled the Centre to build bridges when the Government could not be officially involved.

The same independence was extended to IDRC's funding. Though, the agency's major funding is an annual parliamentary grant, IDRC is free to secure funds from other sources.

Internationally renowned Board of Governors

To adequately reflect those whom it was designed to serve, the IDRC Act called for an international Board of Governors. Over the years, the Governors have constituted a veritable hall of fame that have included Ted Schultz, Nobel Prize winner in Economics; Sir Shridath Ramphal, for many years Commonwealth Secretary General; Maurice Strong, Chairman of the Board, Ontario Hydro; and Miguel de la Madrid, past-President of Mexico.

Continuing excellence in leadership

The Board's first chair was former Prime Minister Pearson. Flora MacDonald, former Secretary of State for External Affairs of Canada is the current chairperson. IDRC President, Dr. Keith A. Bezanson, is a former Canadian Ambassador. He has also held senior positions with CIDA and the Inter-American Development Bank.

A diverse, qualified staff

IDRC's staff also reflects the Centre's commitment to the South. They come from more than 50 countries, speak more than 60 languages and have earned hundreds of university degrees, diplomas and certificates. Together, the staff and governors of IDRC are proud products of the North and the South.

PARTNERSHIPS AND PRODUCTS OF RESEARCH

One and a half billion dollars; 20,000 researchers

During its first 25 years, IDRC granted over \$1.5 billion to support more than 5,000 research projects in 100 countries. These projects have involved some 20,000 researchers and over 1,000 institutions.

Partnerships

IDRC has established valuable partnerships with dozens of organizations interested in development. These include the Canadian International Development Agency (CIDA); the Ford, Rockefeller and McConnell foundations; the U.S. Agency for International Development (USAID), the Swedish International Development Agency (SIDA), the World Health Organization (WHO), the United Nations Children Fund (UNICEF), The World Bank, and the Asian Development Bank.

Alumni of note

IDRC has also collaborated with many researchers of note. These have included a Brazilian President, a Turkish Prime Minister, ministers and other leaders from Argentina, Brazil, Chile, Korea, Venezuela and South Africa. The Heads of the United Nations Industrial Development Organization (UNIDO), the Food and Agriculture Organization (FAO) and Amnesty International have also had strong IDRC links.

Credibility and goodwill for all humanity

By bringing together some of the best and most promising researchers and policy makers in the shared pursuit of knowledge and development, IDRC has gained considerable credibility and influence in the world's political arenas.

IDRC has put this leverage to good use. The Centre has been contributing to peace between Israel and Palestine by promoting joint protection and management of underground water and by linking researchers throughout the region.

IDRC has also made significant contributions in rebuilding the countries emerging from the Cold War (Cambodia, Ukraine, Vietnam), from military dictatorships (Argentina, Chile) or from civil strife (Rwanda, South Africa).

A quarter century of this kind of research and cooperation has yielded some important results. Here are some highlights.

New and improved Technologies

- * A new technology that will protect the environment by reducing waste and improving quality control in small and medium-sized enterprises of the South. A recent joint partnership involving a Canadian software company and the Singapore developer should soon see this promising technology marketed worldwide.
- * A portable water-testing kit that southern communities can use to test their drinking water and protect themselves from water-borne diseases such as dysentery, cholera and hepatitis. Developed by Southern researchers supported by IDRC, the kit is simpler, quicker and less expensive than alternative models.

This same technology has helped to empower the Cree community of Split Lake, Manitoba by allowing them to take control of their own water and health concerns. The Split Lake band, in turn, has shared their knowledge with an indigenous Mapuche community in Chile.

Policy options

- * In Chile, IDRC has supported macroeconomic research and policy changes which have proved imperative to Chile's economic recovery.
- * In Johannesburg, CIDA, IDRC and their South African counterparts are establishing a legislative framework that will form the basis for the country's environmental, science and technology, and information and communication policies. With the full support of the Mandela government, this broad initiative is helping to cement the country's fragile democracy.

Capacity-building

- * About 15,000 persons have been trained through IDRC-funded postgraduate, undergraduate and special courses. Other scientists gain research experience on IDRC projects. The vast majority of these scholars have returned home to contribute to the South's development.

Scientific knowledge

- * The results of IDRC-funded research are shared globally through some 1,000 publications published to date and through several global databases.

Information systems and technologies

In Asia, the Centre has gone one step further to broker knowledge. With public and private sector support IDRC is co-sponsoring the Pan-Asia Network (PAN). Through the Internet, PAN will link local databases and regional networks IDRC has helped to develop over the years. PAN will allow isolated researchers and other interested parties in remote areas of Asia to contribute and benefit fully from the global sharing of knowledge.

WHAT OTHERS SAY ABOUT IDRC

Sigma Xi, The Scientific Research Society

"In a world where wealth increasingly depends on human competence and access to technology, IDRC has been an innovative instrument for the Third World to create its own scientific and technological expertise...Its perceptive ... modus operandi has profound implications for the stability and well-being of the interdependent world of the 21st century."

- September, 1988, in giving IDRC The Twenty-first Century Award, one of many received by the Centre.

Auditor General of Canada

After naming IDRC as one of eight "well performing" governmental institutions:

"IDRC is considered worldwide to be one of the best organizations of its kind."

The Current Minister for Foreign Affairs of Canada

"We count on the Centre to continue to be excellent, as it has been in the past, and to be useful where the greatest need exists. The centre's work has been recognized world-wide and we want this to continue."

From South Africa

"IDRC is the only donor organization which has been offered a seat on an organization created by the government of South Africa: the Business Development Services (BUDS). This demonstrates how much IDRC's work is appreciated in South Africa." (Alistair Ruiters, Special Advisor to the Minister of Trade and industry on Small and Medium Enterprises in South Africa.)

**Development Assistance
Committee of the
Organization for
Economic Cooperation
OECD (1994)**

"IDRC has a worldwide reputation for supporting research and assisting scientists in developing countries to solve development problems and for doing so in an innovative, flexible way."

PRESENT CHALLENGES, FUTURE OPPORTUNITIES

**A renewed strategy for the
next century**

In preparing to meet new challenges, IDRC's stakeholders, North and South, came together in 1991 to review the Centre's mission. The result was a new strategy, **Empowerment through Knowledge**. The strategy reaffirmed:

Research provides the means for the acquisition of appropriate knowledge and thence, for development...IDRC is dedicated to creating, maintaining, and enhancing research capacity in developing regions in response to needs that are determined by the people...in the interest of equity and social justice.

Directions

Empowerment through Knowledge identified the need to:

- * focus on **global and interregional** rather than strictly national efforts;
- * be **more effective** in the use of research capacity and more committed to the utilization of research results - to "what works" in development research; and
- * **diversify** the Centre's funding base.

The Centre has been fortunate in the consistency of parliamentary funding. However, recent times have been challenging. Over the past six years, for example, the Centre's Parliamentary grant has fallen by over 35 percent in real terms.

Facing present challenges

Faced with increased demand for its services and limited financial resources, the Centre has taken a **proactive approach** by:

- focusing its programs;
- reducing its staff by 20%, its management cadre by 50%;
and
- bringing down operating costs

The Centre has sought opportunities for joint ventures and **co-financing** of program activities. Over and above its own program funds, IDRC now manages more than \$70 million on behalf of 33 different organizations. This represents an increase of 173% since **Empowerment through Knowledge** was introduced.

Preparing for the future

The Centre is also expanding its advisory services and exploring innovative ideas for generating revenue. It is taking a lead role in examining alternative funding mechanisms for global development. In this regard, IDRC is exploring the feasibility of an international lottery involving airline passengers. Proceeds of the lottery would help solve global environmental problems and would go to the first non-national foundation for sustainable development.

The Board of Governors, senior management and staff of IDRC, supported and encouraged by partners worldwide, are preparing to face the future with conviction, confidence and concerted action. Together, they have identified a range of program areas which build on IDRC's known strengths and which lend themselves to external support.

Opportunities exist for co-financing select projects of interest, contributing to IDRC's general program activities, and designating support for targeted scholarship and training activities.

Program Activities

Funds are being sought for development research activities that will yield the following results:

- * reforming financial and legal policies in newly emerging economies. **\$10 million**
- * increasing developing country access to the information highway. **\$10 million**
- * reforming occupational and environmental health and safety practices in NAFTA-based and Asian countries. **\$5 million**
- * preserving plant diversity in the world's tropical rainforests and the knowledge that indigenous peoples have about these natural resources. **\$5 million**
- * improving production and marketing systems for developing country food products. **\$10 million**
- * developing low-cost medical diagnostic technologies for aids, malaria, and water testing. **\$15 million**
- * supporting environmental and sustainable technologies related to cleaner production and monitoring systems. **\$15 million**
- * promoting the sustainable use and development of forests. **\$10 million**
- * generating employment through support to small business development. **\$5 million**

Endowed Development Fund

Retaining its ability to respond flexibly to the evolving needs of the public and private sector, IDRC's Endowed Development Fund will enable the Centre to undertake dynamic new program initiatives as they are required. **\$10 million**

Scholarships and Training

Funds are required for Canadian and developing country scholarships for policy-makers, researchers, and journalists. **\$5 million**

Total \$100 million

.../

A future for all

From the threshold of the 21st century, the wisdom underlying the creation of IDRC is more apparent. In a world where economic and ecological borders have blurred, IDRC's mandate is more relevant than ever. Helping people help themselves by acquiring the knowledge to act is IDRC's commitment. Fulfilling this commitment requires the full and enthusiastic support of all sectors of the community.

Proposed Chart of Standards

Objective: \$100,000,000 US

Guidelines:

Top Investment

Top Ten Investments

Next 100-200 Investments

15-20% Objective

50-60% Objective

30-40% Objective

No. of Gifts	Amount	Total	Cumulative Total	Percentage of Goal
1	\$15,000,000	\$15,000,000	\$15,000,000	15%
2	\$10,000,000	\$20,000,000	\$35,000,000	
3	\$5,000,000	\$15,000,000	\$50,000,000	
4	\$2,500,000	\$10,000,000	\$60,000,000	60%
10	\$1,000,000	\$10,000,000	\$70,000,000	
25	\$500,000	\$12,500,000	\$82,500,000	
30	\$250,000	\$7,500,000	\$90,000,000	
40	\$100,000	\$4,000,000	\$94,000,000	94%
Numerous Smaller Investments			\$100,000,000	100%

IDRC Chief Development Officer

Purpose of Position

The purpose of this position is to enhance the image and build the resources of IDRC with a view to developing continuing sources of new discretionary funds which the Centre can use for its operating expenses and other special purposes. This entails the development of a pro-active fund raising program, and includes the notion of fostering the public awareness of IDRC among potential donors, senior volunteers and other stakeholders. Inherent in this concept is not only a narrowly defined function of revenue diversification, but the entire spectrum of developing the image of IDRC in Canada and abroad, and building strong and enduring relationships with those who will be important to the continuing success of the Centre.

Duties and Responsibilities

1. Direct the planning, organization and implementation of all private sector fund raising and development activities for IDRC.
2. Prepare, submit and monitor budgets, policies, financial goals and program activities for the IDRC fund raising and development operation.
3. Liaise with the IDRC public relations staff to promote IDRC with potential donors, volunteers, and other shareholders.
4. Provide overall direction of IDRC staff and volunteers in soliciting funds from all possible private sector sources (e.g. Individuals, Corporations, Businesses, Foundations, Professional Associations etc.).
5. Manage the development of the IDRC prospect and donor base through comprehensive prospect research and highly targeted prospect cultivation.
6. Liaise with IDRC Information Systems staff to maintain highly accurate and current computerized data bases capable of supporting prospect research and cultivation.
7. Manage the appointment, training and supervision of IDRC staff and volunteers involved in fund raising and development tasks.
8. Oversee the preparation of collateral material for cultivation and solicitation calls, develop customized funding proposals, strategize and implement all contact between senior volunteers, appropriate IDRC staff and donor prospects.
9. Maintain and submit accurate reports on donations and other support resulting from various IDRC fund raising and development activities.
10. Plan and implement stewardship and recognition programs to strengthen the longer term relationship of IDRC with current and potential donors and volunteers.